

CF 7r2165

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**By: Delegates Barve and Gordon, Gordon, Donoghue, Eckardt, Goldwater, and Frank**

Introduced and read first time: January 31, 1997

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 1997

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CHAPTER \_\_\_\_

1 AN ACT concerning

**2 Health Maintenance Organizations - Point-of-Service Option - Definition**

3 FOR the purpose of altering the definition of "point-of-service option" to specify that it  
4 is a delivery system that permits a member or subscriber of a health maintenance  
5 organization to receive services outside the health maintenance organization's  
6 provider panel for any health care service that is covered under the member's or  
7 subscriber's contract with the health maintenance organization.

8 BY repealing and reenacting, with amendments,  
9 Article - Health - General  
10 Section 19-710.2(a)  
11 Annotated Code of Maryland  
12 (1996 Replacement Volume and 1996 Supplement)

13 BY repealing and reenacting, without amendments,  
14 Article - Health - General  
15 Section 19-710.2(b)(1)  
16 Annotated Code of Maryland  
17 (1996 Replacement Volume and 1996 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Health - General**

21 19-710.2.

22 (a) (1) In this section the following words have the meanings indicated.

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1 (2) "Carrier" means:

2 (i) An insurer;

3 (ii) A nonprofit health service plan;

4 (iii) A health maintenance organization;

5 (iv) A dental plan organization; or

6 (v) Any other person or organization that provides health benefit  
7 plans subject to State regulation.

8 (3) "Point-of-service option" means a ~~delivery system that permits a~~  
9 ~~member or subscriber of a health maintenance organization to receive [services] ANY~~  
10 ~~HEALTH CARE SERVICE outside the provider panel of the health maintenance~~  
11 ~~organization THAT IS COVERED under the terms and conditions of the member's or~~  
12 ~~subscriber's contract with the health maintenance organization~~ HEALTH BENEFIT PLAN  
13 OFFERED BY A HEALTH MAINTENANCE ORGANIZATION THAT PERMITS AN  
14 ENROLLEE TO RECEIVE SPECIALTY CARE FOR ANY HEALTH SERVICES COVERED  
15 UNDER THE PLAN FROM OUTSIDE THE PANEL OF THE HEALTH MAINTENANCE  
16 ORGANIZATION FROM A PROVIDER WHO IS NOT A PRIMARY CARE PROVIDER.

17 (4) "Provider panel" means those providers with which a health  
18 maintenance organization contracts to provide services to the health maintenance  
19 organization's members or subscribers under the health maintenance organization's  
20 health benefit plan.

21 (b) (1) If an employer, association, or other private group arrangement offers  
22 health benefit plan coverage to employees or individuals only through a health  
23 maintenance organization, the health maintenance organization with which the employer,  
24 association, or other private group arrangement is contracting for the coverage shall offer,  
25 or contract with another carrier to offer, a point-of-service option to the employer,  
26 association, or other private group arrangement in conjunction with the health  
27 maintenance organization as an additional benefit for an employee or individual, at the  
28 employee's or individual's option, to accept or reject.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30 July 1, 1997.