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**By: Senators Bromwell, Dorman, Hafer, Roesser, Trotter, Derr, Astle, Teitelbaum, Hoffman, and Hollinger**

Introduced and read first time: January 24, 1997

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Health Maintenance Organizations - Referrals to Continuing Care Facilities**

3 FOR the purpose of requiring a primary care physician under certain circumstances to  
4 refer a subscriber or an enrollee of a health maintenance organization to a  
5 continuing care facility for the provision of health care services whenever the  
6 subscriber or enrollee is a resident of the continuing care facility.

7 BY adding to

8 Article - Health - General  
9 Section 19-712.6  
10 Annotated Code of Maryland  
11 (1996 Replacement Volume and 1996 Supplement)

12 Preamble

13 WHEREAS, Over 10,000 Marylanders, over the age of 65, reside in continuing care  
14 retirement communities; and

15 WHEREAS, Many older citizens choose to live in continuing care retirement  
16 communities for the rest of their lives; and

17 WHEREAS, Continuing care retirement communities provide the entire continuum  
18 of health care services; and

19 WHEREAS, Continuing care retirement communities are wellness managed care  
20 organizations that have been in existence for over 20 years; and

21 WHEREAS, Health care services delivered in one's home are more cost effective  
22 for the individual and the entire health care system and are better for the physical,  
23 mental, and overall well-being of an individual; and

24 WHEREAS, Geographic separation for married individuals who reside together in  
25 a continuing care retirement community would occur if they could not return to their  
26 continuing care retirement community for rehabilitation and recuperation; now,  
27 therefore,

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

3 **Article - Health - General**

4 19-712.6.

5 WHENEVER A SUBSCRIBER OR AN ENROLLEE OF A HEALTH MAINTENANCE  
6 ORGANIZATION IS A RESIDENT OF A CONTINUING CARE FACILITY THAT IS  
7 REGULATED UNDER ARTICLE 70B OF THE CODE AND RECEIVED HEALTH CARE  
8 SERVICES IN AN ACUTE CARE HEALTH CARE FACILITY, THE RESIDENT'S PRIMARY  
9 CARE PHYSICIAN SHALL REFER THE RESIDENT TO THE RESIDENT'S CONTINUING  
10 CARE FACILITY FOR THE PROVISION OF HEALTH CARE SERVICES, AS PROVIDED IN  
11 THE RESIDENT'S CONTINUING CARE AGREEMENT, IF:

12 (1) THE PRIMARY CARE PHYSICIAN AND THE RESIDENT OR THE  
13 DESIGNATED REPRESENTATIVE OF THE RESIDENT DO NOT CHOOSE AN  
14 ALTERNATIVE COURSE OF TREATMENT;

15 (2) THE FACILITY AGREES TO BE REIMBURSED AT THE CONTRACT  
16 RATE NEGOTIATED BY THE HEALTH MAINTENANCE ORGANIZATION WITH SIMILAR  
17 PROVIDERS FOR THE PROVISION OF THE SAME HEALTH CARE SERVICES AND  
18 SUPPLIES; AND

19 (3) THE FACILITY MEETS ALL THE GUIDELINES ESTABLISHED BY THE  
20 DIVISION OF LICENSING AND CERTIFICATION OF THE DEPARTMENT.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 October 1, 1997.