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**By: Senator Bromwell**

Introduced and read first time: January 30, 1997

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Advisory Committee on Practice Parameters - Review of Practice Parameters and**  
3 **Guidelines**

4 FOR the purpose of expanding the duties of the Advisory Committee on Practice  
5 Parameters to include the review of certain practice parameters and guidelines  
6 adopted or established by certain insurers, nonprofit health service plans, and  
7 health maintenance organizations under certain circumstances; specifying the  
8 method of review by the Advisory Committee; requiring the Advisory Committee to  
9 submit its recommendations to the Health Care Access and Cost Commission and  
10 the Health Care Access and Cost Commission to submit the report to the Insurance  
11 Commissioner within a certain time period; authorizing the Insurance  
12 Commissioner to order under certain circumstances certain payments based on a  
13 certain recommendation of the Advisory Committee in regard to the practice  
14 parameter or guideline reviewed by the Advisory Committee; providing for the  
15 application of this Act; and generally relating to requiring the Advisory Committee  
16 on Practice Parameters to conduct a certain review of certain practice parameters  
17 and guidelines adopted or established by certain insurers, nonprofit health service  
18 plans, and health maintenance organizations.

19 BY repealing and reenacting, with amendments,  
20 Article - Health - General  
21 Section 19-1605  
22 Annotated Code of Maryland  
23 (1996 Replacement Volume and 1996 Supplement)

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

26 **Article - Health - General**

27 19-1605.

28 (A) On request of the Commission, the Advisory Committee shall advise, consult  
29 with, and propose to the Commission practice parameters for any specialty designated by  
30 the Commission that:

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1 (1) Define appropriate clinical indications and methods of treatment for  
2 individual procedures or diseases that are subject to a significant amount of medical  
3 malpractice litigation within the medical specialty area;

4 (2) Are consistent with the appropriate standards of care;

5 (3) Are designed to discourage inappropriate utilization; and

6 (4) Are not inconsistent with certification, licensure, or accreditation  
7 standards established by governmental agencies or national accreditation organizations,  
8 including the Joint Commission on the Accreditation of Health Care Organizations.

9 (B) (1) THIS SUBSECTION APPLIES TO:

10 (I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT  
11 PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR  
12 GROUPS ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES  
13 THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

14 (II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE  
15 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER  
16 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

17 (2) IN ADDITION TO THE DUTIES OF THE ADVISORY COMMITTEE  
18 UNDER SUBSECTION (A) OF THIS SECTION, ON REQUEST OF THE COMMISSION, THE  
19 MARYLAND HOSPITAL ASSOCIATION, A PHYSICIAN SPECIALTY SOCIETY  
20 RECOGNIZED BY THE AMERICAN BOARD OF MEDICAL SPECIALTIES, OR AN ENTITY  
21 SUBJECT TO THIS SUBSECTION, THE ADVISORY COMMITTEE SHALL REVIEW, ADVISE,  
22 CONSULT WITH, AND MAKE RECOMMENDATIONS TO THE COMMISSION ON  
23 PRACTICE PARAMETERS OR GUIDELINES ADOPTED OR ESTABLISHED BY ANY  
24 ENTITY SUBJECT TO THIS SUBSECTION THAT:

25 (I) SHORTEN BY 50% OR MORE THE LENGTH OF INPATIENT  
26 HOSPITALIZATION STAY FOR A PARTICULAR PROCEDURE OR TREATMENT; OR

27 (II) ELIMINATE INPATIENT HOSPITALIZATION COVERAGE FOR A  
28 PARTICULAR PROCEDURE OR TREATMENT.

29 (3) DURING ITS REVIEW OF A PRACTICE PARAMETER OR GUIDELINE  
30 UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE ADVISORY COMMITTEE SHALL:

31 (I) CONSIDER WHETHER THE PRACTICE PARAMETER OR  
32 GUIDELINE:

33 1. IS CONSISTENT WITH APPROPRIATE STANDARDS OF  
34 CARE; AND

35 2. IS NOT INCONSISTENT WITH PRACTICE PARAMETERS OR  
36 GUIDELINES RECOMMENDED BY STATE OR FEDERAL GOVERNMENTAL AGENCIES  
37 AND NATIONAL PHYSICIAN SPECIALTY SOCIETIES RECOGNIZED BY THE AMERICAN  
38 BOARD OF MEDICAL SPECIALTIES; AND

1 (II) ENSURE THAT THE PRACTICE PARAMETER OR GUIDELINE  
2 INCLUDES AND PROVIDES COVERAGE FOR MEDICALLY NECESSARY  
3 COMPREHENSIVE IN-HOME CARE IF THE PRACTICE PARAMETER OR GUIDELINE  
4 SHORTENS BY 50% OR MORE THE LENGTH OF INPATIENT HOSPITALIZATION STAY  
5 OR ELIMINATES INPATIENT HOSPITALIZATION COVERAGE FOR A PARTICULAR  
6 TREATMENT OR PROCEDURE AND REQUIRES THE PROCEDURE OR TREATMENT TO  
7 BE PERFORMED ON AN OUTPATIENT BASIS.

8 (4) WITHIN 30 DAYS AFTER THE ADVISORY COMMITTEE'S  
9 RECOMMENDATION ON ANY PRACTICE PARAMETER OR GUIDELINE UNDER  
10 PARAGRAPH (2) OF THIS SUBSECTION, THE ADVISORY COMMITTEE SHALL SUBMIT A  
11 REPORT ON ITS RECOMMENDATION TO THE COMMISSION AND THE COMMISSION  
12 SHALL SUBMIT THE REPORT TO THE INSURANCE COMMISSIONER.

13 (5) WHENEVER THE ADVISORY COMMITTEE HAS REVIEWED A  
14 PRACTICE PARAMETER OR GUIDELINE UNDER PARAGRAPH (2) OF THIS SUBSECTION  
15 THAT IS THE SUBJECT OF A COVERAGE DISPUTE BETWEEN AN ENTITY SUBJECT TO  
16 THIS SUBSECTION THAT HAS ADOPTED OR ESTABLISHED THE PRACTICE  
17 PARAMETER OR GUIDELINE AND AN ENROLLEE OR INSURED OF THE ENTITY, AND  
18 IF THE ADVISORY COMMITTEE RECOMMENDS THAT THE PRACTICE PARAMETER OR  
19 GUIDELINE SHOULD NOT BE FOLLOWED, THE INSURANCE COMMISSIONER MAY  
20 REQUIRE THE ENTITY TO MAKE PAYMENTS FOR THE INPATIENT HOSPITALIZATION  
21 COVERAGE THAT THE ENROLLEE OR INSURED WOULD OTHERWISE BE ENTITLED  
22 TO RECEIVE UNDER THE CONTRACT OR POLICY.

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