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**By: Senator Bromwell**

Introduced and read first time: January 30, 1997

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 18, 1997

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CHAPTER \_\_\_\_

1 AN ACT concerning

2 ~~Advisory Committee on Practice Parameters—Review of Practice Parameters and~~  
3 ~~Guidelines~~  
4 Practice Parameters and Guidelines

5 FOR the purpose of ~~expanding the duties of the Advisory Committee on Practice~~  
6 ~~Parameters to include the review of certain practice parameters and guidelines~~  
7 ~~adopted or established by certain insurers, nonprofit health service plans, and~~  
8 ~~health maintenance organizations under certain circumstances; specifying the~~  
9 ~~method of review by the Advisory Committee; requiring the Advisory Committee to~~  
10 ~~submit its recommendations to the Health Care Access and Cost Commission and~~  
11 ~~the Health Care Access and Cost Commission to submit the report to the Insurance~~  
12 ~~Commissioner within a certain time period; authorizing the Insurance~~  
13 ~~Commissioner to order under certain circumstances certain payments based on a~~  
14 ~~certain recommendation of the Advisory Committee in regard to the practice~~  
15 ~~parameter or guideline reviewed by the Advisory Committee; providing for the~~  
16 ~~application of this Act; and generally relating to requiring the Advisory Committee~~  
17 ~~on Practice Parameters to conduct a certain review of certain practice parameters~~  
18 ~~and guidelines adopted or established by certain insurers, nonprofit health service~~  
19 ~~plans, and health maintenance organizations; establishing a Task Force on~~  
20 ~~Guidelines and Practice Parameters; requiring the Task Force to conduct a certain~~  
21 ~~study; specifying the membership of the Task Force; requiring the Task Force to~~  
22 ~~submit a certain report to certain persons by a certain date; making a certain~~  
23 ~~technical correction related to the staggering of the terms of the initial members of~~  
24 ~~the Advisory Committee on Practice Parameters; providing for the effective date of~~  
25 ~~this Act; and generally relating to practice parameters and guidelines.~~

26 ~~BY~~ repealing and reenacting, with amendments,  
27 ~~Article—Health—General~~

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1 Section 19-1605  
2 Annotated Code of Maryland  
3 (1996 Replacement Volume and 1996 Supplement)

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

6 **~~Article—Health—General~~**

7 ~~19-1605.~~

8 (A) ~~On request of the Commission, the Advisory Committee shall advise, consult~~  
9 ~~with, and propose to the Commission practice parameters for any specialty designated by~~  
10 ~~the Commission that:~~

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

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

15 (3) ~~Are designed to discourage inappropriate utilization; and~~

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

19 (B) ~~(1) THIS SUBSECTION APPLIES TO:~~

20 (i) ~~INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT~~  
21 ~~PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR~~  
22 ~~GROUPS ON AN EXPENSE INCURRED BASIS UNDER HEALTH INSURANCE POLICIES~~  
23 ~~THAT ARE ISSUED OR DELIVERED IN THE STATE; AND~~

24 (ii) ~~HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE~~  
25 ~~HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER~~  
26 ~~CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.~~

27 (2) ~~IN ADDITION TO THE DUTIES OF THE ADVISORY COMMITTEE~~  
28 ~~UNDER SUBSECTION (A) OF THIS SECTION, ON REQUEST OF THE COMMISSION, THE~~  
29 ~~MARYLAND HOSPITAL ASSOCIATION, A PHYSICIAN SPECIALTY SOCIETY~~  
30 ~~RECOGNIZED BY THE AMERICAN BOARD OF MEDICAL SPECIALTIES, OR AN ENTITY~~  
31 ~~SUBJECT TO THIS SUBSECTION, THE ADVISORY COMMITTEE SHALL REVIEW, ADVISE,~~  
32 ~~CONSULT WITH, AND MAKE RECOMMENDATIONS TO THE COMMISSION ON~~  
33 ~~PRACTICE PARAMETERS OR GUIDELINES ADOPTED OR ESTABLISHED BY ANY~~  
34 ~~ENTITY SUBJECT TO THIS SUBSECTION THAT:~~

35 (i) ~~SHORTEN BY 50% OR MORE THE LENGTH OF INPATIENT~~  
36 ~~HOSPITALIZATION STAY FOR A PARTICULAR PROCEDURE OR TREATMENT; OR~~

37 (ii) ~~ELIMINATE INPATIENT HOSPITALIZATION COVERAGE FOR A~~  
38 ~~PARTICULAR PROCEDURE OR TREATMENT.~~

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

3 ~~(i) CONSIDER WHETHER THE PRACTICE PARAMETER OR~~  
4 ~~GUIDELINE:~~

5 ~~1. IS CONSISTENT WITH APPROPRIATE STANDARDS OF~~  
6 ~~CARE; AND~~

7 ~~2. IS NOT INCONSISTENT WITH PRACTICE PARAMETERS OR~~  
8 ~~GUIDELINES RECOMMENDED BY STATE OR FEDERAL GOVERNMENTAL AGENCIES~~  
9 ~~AND NATIONAL PHYSICIAN SPECIALTY SOCIETIES RECOGNIZED BY THE AMERICAN~~  
10 ~~BOARD OF MEDICAL SPECIALTIES; AND~~

11 ~~(ii) ENSURE THAT THE PRACTICE PARAMETER OR GUIDELINE~~  
12 ~~INCLUDES AND PROVIDES COVERAGE FOR MEDICALLY NECESSARY~~  
13 ~~COMPREHENSIVE IN-HOME CARE IF THE PRACTICE PARAMETER OR GUIDELINE~~  
14 ~~SHORTENS BY 50% OR MORE THE LENGTH OF INPATIENT HOSPITALIZATION STAY~~  
15 ~~OR ELIMINATES INPATIENT HOSPITALIZATION COVERAGE FOR A PARTICULAR~~  
16 ~~TREATMENT OR PROCEDURE AND REQUIRES THE PROCEDURE OR TREATMENT TO~~  
17 ~~BE PERFORMED ON AN OUTPATIENT BASIS.~~

18 ~~(4) WITHIN 30 DAYS AFTER THE ADVISORY COMMITTEE'S~~  
19 ~~RECOMMENDATION ON ANY PRACTICE PARAMETER OR GUIDELINE UNDER~~  
20 ~~PARAGRAPH (2) OF THIS SUBSECTION, THE ADVISORY COMMITTEE SHALL SUBMIT A~~  
21 ~~REPORT ON ITS RECOMMENDATION TO THE COMMISSION AND THE COMMISSION~~  
22 ~~SHALL SUBMIT THE REPORT TO THE INSURANCE COMMISSIONER.~~

23 ~~(5) WHENEVER THE ADVISORY COMMITTEE HAS REVIEWED A~~  
24 ~~PRACTICE PARAMETER OR GUIDELINE UNDER PARAGRAPH (2) OF THIS SUBSECTION~~  
25 ~~THAT IS THE SUBJECT OF A COVERAGE DISPUTE BETWEEN AN ENTITY SUBJECT TO~~  
26 ~~THIS SUBSECTION THAT HAS ADOPTED OR ESTABLISHED THE PRACTICE~~  
27 ~~PARAMETER OR GUIDELINE AND AN ENROLLEE OR INSURED OF THE ENTITY, AND~~  
28 ~~IF THE ADVISORY COMMITTEE RECOMMENDS THAT THE PRACTICE PARAMETER OR~~  
29 ~~GUIDELINE SHOULD NOT BE FOLLOWED, THE INSURANCE COMMISSIONER MAY~~  
30 ~~REQUIRE THE ENTITY TO MAKE PAYMENTS FOR THE INPATIENT HOSPITALIZATION~~  
31 ~~COVERAGE THAT THE ENROLLEE OR INSURED WOULD OTHERWISE BE ENTITLED~~  
32 ~~TO RECEIVE UNDER THE CONTRACT OR POLICY.~~

33 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
34 MARYLAND, That:

35 (a) There is a Task Force on Guidelines and Practice Parameters.

36 (b) The Task Force shall study the need for State regulation and the medical  
37 impact on consumers of guidelines and practice parameters that shorten or eliminate  
38 inpatient hospitalization stays.

39 (c) The Task Force shall be composed of 12 members appointed as follows:

40 (1) One member of the Senate Finance Committee, designated by the  
41 Chairman of the Senate Finance Committee;

1                   (2) One member of the House Economic Matters Committee, designated by  
2 the Chairman of the House Economic Matters Committee;

3                   (3) One member designated by the Association of Maryland Hospitals and  
4 Health Systems;

5                   (4) One member designated by a nonprofit health service plan;

6                   (5) One member designated by the League of Health and Life Insurers of  
7 Maryland;

8                   (6) One member designated by the Maryland Association of Health  
9 Maintenance Organizations;

10                  (7) Two members representing an academic medical center, one of whom  
11 shall be designated by the Johns Hopkins Health System and one of whom shall be  
12 designated by the University of Maryland Medical System;

13                  (8) One member who is a physician representative from the Advisory  
14 Committee on Practice Parameters, designated by the Chairman of the Maryland Health  
15 Care Access and Cost Commission;

16                  (9) One member designated by the Medical and Chirurgical Faculty of  
17 Maryland; and

18                  (10) Two members of the general public representing Maryland health care  
19 consumers, appointed by the Governor.

20                  (d) The members of the Task Force shall select a chairman from the membership  
21 of the Task Force.

22                  (e) Members of the Task Force shall serve without compensation.

23                  (f) The Health Care Access and Cost Commission shall provide staff support for  
24 the Task Force.

25                  (g) On or before January 1, 1998, the Task Force shall submit a report on its  
26 findings to the Governor and, subject to § 2-1312 of the State Government Article, to the  
27 General Assembly.

28                  SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial  
29 members of the Advisory Committee on Practice Parameters, appointed in accordance  
30 with § 19-1603 of the Health - General Article, shall expire as follows:

31                  (1) Four members in 1997;

32                  (2) Four members in 1998;

33                  (3) Four members in 1999; and

34                  (4) Three members in 2000.

35                  SECTION 2- 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
36 October June 1, 1997.

