
By: Senator Bromwell

Introduced and read first time: January 31, 1997

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Advisory Panel on Mandated Health Insurance Benefits**

3 FOR the purpose of establishing the Advisory Panel on Mandated Health Insurance
4 Benefits; specifying the membership and duties of the Advisory Panel; requiring the
5 Advisory Panel to conduct a certain review of all mandated health insurance
6 benefits; requiring the Advisory Panel to submit a certain report to certain persons;
7 providing for the construction of this Act; defining certain terms; repealing certain
8 provisions of law related to the establishment and duties of the Interdepartmental
9 Committee on Mandated Health Insurance Benefits; and generally relating to
10 establishing an Advisory Panel on Mandated Health Insurance Benefits.

11 BY repealing

12 Article - Insurance
13 Section 15-1301 through 15-1307, inclusive, and the subtitle "Subtitle 13.
14 Interdepartmental Committee on Mandated Health Insurance Benefits"
15 Annotated Code of Maryland
16 (1995 Volume and 1996 Supplement)
17 (As enacted by Chapter _____ (H.B. 11) of the Acts of the General Assembly of 1997)

18 BY adding to

19 Article - Insurance
20 Section 15-1301 to be under the new subtitle "Subtitle 13. Advisory Panel on
21 Mandated Health Insurance Benefits"
22 Annotated Code of Maryland
23 (1995 Volume and 1996 Supplement)
24 (As enacted by Chapter _____ (H.B. 11) of the Acts of the General Assembly of 1997)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That Section(s) 15-1301 through 15-1307, inclusive, and the subtitle
27 "Subtitle 13. Interdepartmental Committee on Mandated Health Insurance Benefits" of
28 Article - Insurance of the Annotated Code of Maryland (as enacted by Chapter _____
29 (H.B. 11) of the Acts of the General Assembly of 1997) be repealed.

30 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
31 read as follows:

2

1 **Article - Insurance**

2 SUBTITLE 13. ADVISORY PANEL ON MANDATED HEALTH INSURANCE BENEFITS.

3 15-1301.

4 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

6 (2) "ADVISORY PANEL" MEANS THE ADVISORY PANEL ON MANDATED
7 HEALTH INSURANCE BENEFITS.

8 (3) (I) "MANDATED HEALTH INSURANCE BENEFIT" MEANS A
9 LEGISLATIVE PROPOSAL OR A STATUTE THAT WOULD REQUIRE A PARTICULAR
10 HEALTH CARE SERVICE, BENEFIT, COVERAGE, OR REIMBURSEMENT FOR COVERED
11 HEALTH CARE SERVICES TO BE PROVIDED OR OFFERED IN A HEALTH BENEFIT
12 PLAN BY A CARRIER OR OTHER ORGANIZATION AUTHORIZED TO PROVIDE HEALTH
13 BENEFIT PLANS IN THE STATE.

14 (II) "MANDATED HEALTH INSURANCE BENEFIT" INCLUDES A
15 LEGISLATIVE PROPOSAL OR A STATUTE THAT WOULD REQUIRE A HEALTH BENEFIT
16 PLAN THAT PROVIDES REIMBURSEMENT FOR A SERVICE TO PROVIDE
17 REIMBURSEMENT FOR THAT SERVICE WHEN PERFORMED BY ANY HEALTH CARE
18 PROVIDER WHO IS LICENSED UNDER THE HEALTH OCCUPATIONS ARTICLE AND
19 WHOSE SCOPE OF PRACTICE INCLUDES THAT SERVICE.

20 (III) "MANDATED HEALTH INSURANCE BENEFIT", AS APPLICABLE
21 TO ALL CARRIERS, DOES NOT INCLUDE SERVICES ENUMERATED TO DESCRIBE A
22 HEALTH MAINTENANCE ORGANIZATION UNDER § 19-701(F)(2) OF THE HEALTH -
23 GENERAL ARTICLE.

24 (B) THIS SECTION DOES NOT AFFECT THE ABILITY OF THE GENERAL
25 ASSEMBLY TO ENACT LEGISLATION ON MANDATED HEALTH INSURANCE BENEFITS.

26 (C) THERE IS AN ADVISORY PANEL ON MANDATED HEALTH INSURANCE
27 BENEFITS.

28 (D) THE PURPOSE OF THE ADVISORY PANEL IS TO PROVIDE MEMBERS OF
29 THE MARYLAND GENERAL ASSEMBLY WITH AN ASSESSMENT OF THE CLINICAL AND
30 ECONOMIC IMPACT OF EACH MANDATED BENEFIT ON CONSUMERS, HEALTH CARE
31 PROVIDERS, AND THIRD PARTY PAYORS.

32 (E) (1) THE ADVISORY PANEL SHALL CONSIST OF:

33 (I) TWO PHYSICIANS FROM THE JOHNS HOPKINS SCHOOL OF
34 MEDICINE, APPOINTED BY THE DEAN;

35 (II) ONE HEALTH ECONOMIST FROM THE JOHNS HOPKINS SCHOOL
36 OF HYGIENE AND PUBLIC HEALTH, APPOINTED BY THE DEAN;

37 (III) TWO PHYSICIANS FROM THE UNIVERSITY OF MARYLAND
38 SCHOOL OF MEDICINE, APPOINTED BY THE DEAN;

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1 (IV) ONE REPRESENTATIVE OF THE MARYLAND HOSPITAL
2 ASSOCIATION;

3 (V) ONE REPRESENTATIVE OF THE MARYLAND ASSOCIATION OF
4 HEALTH MAINTENANCE ORGANIZATIONS;

5 (VI) ONE REPRESENTATIVE OF BLUE CROSS BLUE SHIELD OF
6 MARYLAND OR ITS SUCCESSOR ENTITY;

7 (VII) ONE REPRESENTATIVE OF THE LEAGUE OF LIFE AND HEALTH
8 INSURERS;

9 (VIII) ONE REPRESENTATIVE OF THE HEALTH INSURANCE
10 ASSOCIATION OF AMERICA;

11 (IX) THE SECRETARY OF HEALTH AND MENTAL HYGIENE OR THE
12 SECRETARY'S DESIGNEE; AND

13 (X) THE MARYLAND INSURANCE COMMISSIONER OR THE
14 COMMISSIONER'S DESIGNEE.

15 (2) THE ADVISORY PANEL SHALL SELECT A CHAIRMAN FROM AMONG
16 ITS MEMBERS.

17 (3) THE ADVISORY PANEL SHALL MEET AT THE TIMES AND PLACES IT
18 DETERMINES.

19 (F) THE ADVISORY PANEL SHALL UNDERTAKE AN ONGOING AND
20 SYSTEMATIC REVIEW OF ALL MANDATED HEALTH INSURANCE BENEFITS IN THIS
21 STATE FOR THE PURPOSE OF DETERMINING WHICH MANDATED HEALTH
22 INSURANCE BENEFITS DO NOT MEET CONSUMER NEEDS AND ARE NOT MEDICALLY
23 NECESSARY AND, THEREFORE, MAY BE REPEALED.

24 (G) AS PART OF ITS REVIEW UNDER SUBSECTION (F) OF THIS SECTION, THE
25 ADVISORY PANEL SHALL:

26 (1) IF CONSIDERED APPROPRIATE BY THE ADVISORY PANEL,
27 EVALUATE RELEVANT MEDICAL LITERATURE;

28 (2) CONDUCT SURVEYS OF CONSUMERS, HEALTH CARE PROVIDERS,
29 AND THIRD PARTY PAYORS;

30 (3) PERFORM ECONOMIC ANALYSES OF HEALTH CLAIMS DATA; AND

31 (4) CONSIDER:

32 (I) THE COST OF THE MANDATED HEALTH INSURANCE BENEFIT;

33 (II) THE EFFECTIVENESS OF THE MANDATED HEALTH INSURANCE
34 BENEFIT ON IMPROVING HEALTH STATUS;

35 (III) THE PERCENTAGE OF THE POPULATION UTILIZING THE
36 MANDATED HEALTH INSURANCE BENEFIT; AND

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1 (IV) ANY OTHER INFORMATION THE ADVISORY PANEL CONSIDERS
2 APPROPRIATE.

3 (H) (1) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE AND THE
4 ADMINISTRATION SHALL PROVIDE STAFF SUPPORT TO THE ADVISORY PANEL.

5 (2) SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, THE
6 ADVISORY PANEL MAY CONTRACT FOR ACTUARIAL SERVICES AND OTHER
7 PROFESSIONAL SERVICES TO CARRY OUT THE PROVISIONS OF THIS SECTION.

8 (I) ON OR BEFORE DECEMBER 1, 1998, AND EACH DECEMBER 1 THEREAFTER,
9 SUBJECT TO § 2-1312 OF THE STATE GOVERNMENT ARTICLE, THE ADVISORY PANEL
10 SHALL SUBMIT A REPORT ON ITS FINDINGS, INCLUDING ANY RECOMMENDATIONS,
11 TO THE PRESIDENT OF THE SENATE OF MARYLAND, THE SPEAKER OF THE
12 MARYLAND HOUSE OF DELEGATES, AND THE RESPECTIVE CHAIRMEN OF THE
13 SENATE FINANCE COMMITTEE, THE HOUSE ECONOMIC MATTERS COMMITTEE, AND
14 THE HOUSE ENVIRONMENTAL MATTERS COMMITTEE.

15 SECTION 3. AND BE IT FURTHER ENACTED, That the Advisory Panel on
16 Mandated Health Insurance Benefits may make reasonable requests on carriers to submit
17 data on the cost of a mandated health insurance benefit, utilization of a mandated health
18 insurance benefit, and any other information the Advisory Panel considers necessary to
19 carry out the provisions of this Act.

20 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 1997.