
By: ~~Senator Bromwell~~ Senators Bromwell and Derr

Introduced and read first time: January 31, 1997

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 1997

CHAPTER ____

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; providing for the termination

10 of this Act; and generally relating to establishing an Advisory Panel on Mandated

11 Health Insurance Benefits.

12 BY repealing

13 Article - Insurance

14 Section 15-1301 through 15-1307, inclusive, and the subtitle "Subtitle 13.

15 Interdepartmental Committee on Mandated Health Insurance Benefits"

16 Annotated Code of Maryland

17 (1995 Volume and 1996 Supplement)

18 (As enacted by Chapter ____ (H.B. 11) of the Acts of the General Assembly of 1997)

19 BY adding to

20 Article - Insurance

21 Section 15-1301 to be under the new subtitle "Subtitle 13. Advisory Panel on

22 Mandated Health Insurance Benefits"

23 Annotated Code of Maryland

24 (1995 Volume and 1996 Supplement)

25 (As enacted by Chapter ____ (H.B. 11) of the Acts of the General Assembly of 1997)

2

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5 (H.B. 11) of the Acts of the General Assembly of 1997) be repealed.

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

8 **Article - Insurance**

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

10 15-1301.

11 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
12 INDICATED.

13 (2) "ADVISORY PANEL" MEANS THE ADVISORY PANEL ON MANDATED
14 HEALTH INSURANCE BENEFITS.

15 (3) (I) "MANDATED HEALTH INSURANCE BENEFIT" MEANS A
16 LEGISLATIVE PROPOSAL OR A STATUTE THAT WOULD REQUIRE A PARTICULAR
17 HEALTH CARE SERVICE, BENEFIT, COVERAGE, OR REIMBURSEMENT FOR COVERED
18 HEALTH CARE SERVICES TO BE PROVIDED OR OFFERED IN A HEALTH BENEFIT
19 PLAN BY A CARRIER OR OTHER ORGANIZATION AUTHORIZED TO PROVIDE HEALTH
20 BENEFIT PLANS IN THE STATE.

21 (II) "MANDATED HEALTH INSURANCE BENEFIT" INCLUDES A
22 LEGISLATIVE PROPOSAL OR A STATUTE THAT WOULD REQUIRE A HEALTH BENEFIT
23 PLAN THAT PROVIDES REIMBURSEMENT FOR A SERVICE TO PROVIDE
24 REIMBURSEMENT FOR THAT SERVICE WHEN PERFORMED BY ANY HEALTH CARE
25 PROVIDER WHO IS LICENSED UNDER THE HEALTH OCCUPATIONS ARTICLE AND
26 WHOSE SCOPE OF PRACTICE INCLUDES THAT SERVICE.

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

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

33 (C) THERE IS AN ADVISORY PANEL ON MANDATED HEALTH INSURANCE
34 BENEFITS.

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

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

3

1 (I) TWO MEMBERS OF THE SENATE OF MARYLAND, APPOINTED BY
2 THE PRESIDENT OF THE SENATE;

3 (II) TWO MEMBERS OF THE HOUSE OF DELEGATES, APPOINTED BY
4 THE SPEAKER OF THE HOUSE;

5 ~~(III)~~ (III) TWO PHYSICIANS FROM THE JOHNS HOPKINS SCHOOL OF
6 MEDICINE, APPOINTED BY THE DEAN;

7 ~~(IV)~~ (IV) ONE HEALTH ECONOMIST FROM THE JOHNS HOPKINS
8 SCHOOL OF HYGIENE AND PUBLIC HEALTH, APPOINTED BY THE DEAN;

9 ~~(V)~~ (V) TWO PHYSICIANS FROM THE UNIVERSITY OF MARYLAND
10 SCHOOL OF MEDICINE, APPOINTED BY THE DEAN;

11 (VI) ONE REPRESENTATIVE FROM COPPIN STATE COLLEGE SCHOOL
12 OF NURSING, APPOINTED BY THE DEAN;

13 (VII) SEVEN NONPHYSICIAN HEALTH CARE PROVIDERS TO WHOM
14 HEALTH BENEFIT PLANS ARE REQUIRED TO PROVIDE REIMBURSEMENT AS A
15 MANDATED HEALTH INSURANCE BENEFIT, APPOINTED BY THE GOVERNOR;

16 (VIII) ONE REPRESENTATIVE OF THE MEDICAL AND CHIRURGICAL
17 FACULTY OF MARYLAND;

18 ~~(IX)~~ (IX) ONE REPRESENTATIVE OF THE MARYLAND HOSPITAL
19 ASSOCIATION;

20 ~~(X)~~ (X) ONE REPRESENTATIVE OF THE MARYLAND ASSOCIATION
21 OF HEALTH MAINTENANCE ORGANIZATIONS;

22 ~~(XI) ONE REPRESENTATIVE OF BLUE CROSS BLUE SHIELD OF~~
23 ~~MARYLAND OR ITS SUCCESSOR ENTITY;~~

24 (XI) ONE REPRESENTATIVE OF A NONPROFIT HEALTH SERVICE
25 PLAN;

26 ~~(XII)~~ (XII) ONE REPRESENTATIVE OF THE LEAGUE OF LIFE AND
27 HEALTH INSURERS;

28 ~~(XIII)~~ (XIII) ONE REPRESENTATIVE OF THE HEALTH INSURANCE
29 ASSOCIATION OF AMERICA;

30 ~~(XIV)~~ (XIV) THE SECRETARY OF HEALTH AND MENTAL HYGIENE OR
31 THE SECRETARY'S DESIGNEE; AND

32 ~~(XV)~~ (XV) THE MARYLAND INSURANCE COMMISSIONER OR THE
33 COMMISSIONER'S DESIGNEE.

34 ~~(2) THE ADVISORY PANEL GOVERNOR SHALL SELECT A CHAIRMAN~~
35 ~~FROM AMONG ITS MEMBERS~~ THE MEMBERS OF THE ADVISORY PANEL.

36 (3) THE ADVISORY PANEL SHALL MEET AT THE TIMES AND PLACES IT
37 DETERMINES.

4

1 (F) THE ADVISORY PANEL SHALL UNDERTAKE AN ONGOING AND
2 SYSTEMATIC REVIEW OF ALL CURRENT AND PROPOSED MANDATED HEALTH
3 INSURANCE BENEFITS IN THIS STATE FOR THE PURPOSE OF ~~DETERMINING WHICH~~
4 ~~MANDATED HEALTH INSURANCE BENEFITS DO NOT MEET CONSUMER NEEDS AND~~
5 ~~ARE NOT MEDICALLY NECESSARY AND, THEREFORE, MAY BE REPEALED~~
6 EVALUATING THEIR COST EFFECTIVENESS AND MAKING RECOMMENDATIONS AS TO
7 CONTINUING, MODIFYING, OR REPEALING CURRENT MANDATES AND APPROVING
8 OR DISAPPROVING PROPOSED MANDATES.

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

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

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

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

16 (4) CONSIDER:

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

18 (II) THE EFFECTIVENESS OF THE MANDATED HEALTH INSURANCE
19 BENEFIT ON IMPROVING HEALTH STATUS;

20 (III) THE PERCENTAGE OF THE POPULATION UTILIZING THE
21 MANDATED HEALTH INSURANCE BENEFIT; AND

22 (IV) ANY OTHER INFORMATION THE ADVISORY PANEL CONSIDERS
23 APPROPRIATE.

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

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

29 (I) ON OR BEFORE DECEMBER 1, 1998, ~~AND EACH DECEMBER 1 THEREAFTER,~~
30 SUBJECT TO § 2-1312 OF THE STATE GOVERNMENT ARTICLE, THE ADVISORY PANEL
31 SHALL SUBMIT A REPORT ON ITS FINDINGS, INCLUDING ANY RECOMMENDATIONS,
32 TO THE PRESIDENT OF THE SENATE OF MARYLAND, THE SPEAKER OF THE
33 MARYLAND HOUSE OF DELEGATES, AND THE RESPECTIVE CHAIRMEN OF THE
34 SENATE FINANCE COMMITTEE, THE HOUSE ECONOMIC MATTERS COMMITTEE, AND
35 THE HOUSE ENVIRONMENTAL MATTERS COMMITTEE.

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

1 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 ~~October~~ July 1, 1997. It shall remain effective for a period of 2 years and, at the end of
3 June 30, 1999, with no further action required by the General Assembly, this Act shall be
4 abrogated and of no further force and effect.