
By: **Delegate Weir**

Introduced and read first time: February 5, 1998

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Care Access and Cost Commission - Evaluation of Practitioners and**
3 **Providers**

4 FOR the purpose of including health care practitioners and health care providers,
5 including hospitals, in a certain comparative evaluation of quality of care and
6 performance measurements; requiring that certain performance information be
7 solicited from patients of health care practitioners and health care providers;
8 requiring the Maryland Health Care Access and Cost Commission to assess fees
9 on all health care providers in addition to payors and health care practitioners;
10 apportioning the assessment of certain fees to be imposed by the Commission;
11 and generally relating to the quality of care and performance of certain health
12 care practitioners and health care providers.

13 BY repealing and reenacting, without amendments,
14 Article - Health - General
15 Section 19-1501(d) and (e)
16 Annotated Code of Maryland
17 (1996 Replacement Volume and 1997 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article - Health - General
20 Section 19-1508 and 19-1515
21 Annotated Code of Maryland
22 (1996 Replacement Volume and 1997 Supplement)

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

25 **Article - Health - General**

26 19-1501.

27 (d) (1) "Health care provider" means:

1 (i) A person who is licensed, certified, or otherwise authorized
2 under the Health Occupations Article to provide health care in the ordinary course of
3 business or practice of a profession or in an approved education or training program;
4 or

5 (ii) A facility where health care is provided to patients or recipients,
6 including a facility as defined in § 10-101(e) of this article, a hospital as defined in §
7 19-301(f) of this article, a related institution as defined in § 19-301(n) of this article,
8 a health maintenance organization as defined in § 19-701(e) of this article, an
9 outpatient clinic, and a medical laboratory.

10 (2) "Health care provider" includes the agents and employees of a facility
11 who are licensed or otherwise authorized to provide health care, the officers and
12 directors of a facility, and the agents and employees of a health care provider who are
13 licensed or otherwise authorized to provide health care.

14 (e) "Health care practitioner" means any person that provides health care
15 services and is licensed under the Health Occupations Article.

16 19-1508.

17 (a) (1) In order to more efficiently establish a medical care data base under
18 § 19-1507 of this subtitle, the Commission shall establish standards for the operation
19 of one or more medical care electronic claims clearinghouses in Maryland and may
20 license those clearinghouses meeting those standards.

21 (2) In adopting regulations under this subsection, the Commission shall
22 consider appropriate national standards.

23 (3) The Commission may limit the number of licensed claims
24 clearinghouses to assure maximum efficiency and cost effectiveness.

25 (4) The Commission, by regulation, may charge a reasonable licensing
26 fee to operate a licensed claims clearinghouse.

27 (5) Health care practitioners in Maryland, as designated by the
28 Commission, shall submit, and payors of health care services in Maryland as
29 designated by the Commission shall receive claims for payment and any other
30 information reasonably related to the medical care data base electronically in a
31 standard format as required by the Commission whether by means of a claims
32 clearinghouse or other method approved by the Commission.

33 (6) The Commission shall establish reasonable deadlines for the phasing
34 in of electronic transmittal of claims from those health care practitioners designated
35 under paragraph (5) of this subsection.

36 (7) As designated by the Commission, payors of health care services in
37 Maryland and Medicaid and Medicare shall transmit explanations of benefits and any
38 other information reasonably related to the medical care data base electronically in a

1 standard format as required by the Commission whether by means of a claims
2 clearinghouse or other method approved by the Commission.

3 (b) The Commission may collect the medical care claims information
4 submitted to any licensed claims clearinghouse for use in the data base established
5 under § 19-1507 of this subtitle.

6 (c) (1) The Commission shall:

7 (i) On or before January 1, [1994] 2000, establish and implement a
8 system to comparatively evaluate the quality of care outcomes and performance
9 measurements of health maintenance organization benefit plans and services,
10 HEALTH CARE PRACTITIONERS, AND HEALTH CARE PROVIDERS, INCLUDING
11 HOSPITALS, on an objective basis; and

12 (ii) Annually publish the summary findings of the evaluation.

13 (2) The purpose of a comparable performance measurement system
14 established under this section is to assist health maintenance organization benefit
15 plans, HEALTH CARE PRACTITIONERS, AND HEALTH CARE PROVIDERS to improve the
16 quality of care provided by establishing a common set of performance measurements
17 and disseminating the findings of the performance measurements to health
18 maintenance organizations, HEALTH CARE PRACTITIONERS, HEALTH CARE
19 PROVIDERS, and interested parties.

20 (3) The system, where appropriate, shall solicit performance information
21 from enrollees of health maintenance organizations AND PATIENTS OF HEALTH CARE
22 PRACTITIONERS AND HEALTH CARE PROVIDERS.

23 (4) (i) The Commission shall adopt regulations to establish the system
24 of evaluation provided under this section.

25 (ii) Before adopting regulations to implement an evaluation system
26 under this section, the Commission shall consider any recommendations of the
27 quality of care subcommittee of the Group Health Association of America and the
28 National Committee for Quality Assurance.

29 (5) The Commission may contract with a private, nonprofit entity to
30 implement the system required under this subsection provided that the entity is not
31 an insurer.

32 19-1515.

33 (a) (1) The Commission shall assess a fee on:

34 (i) All payors; [and]

35 (ii) All health care practitioners; AND

36 (III) ALL HEALTH CARE PROVIDERS.

1 (2) (i) The total fees assessed by the Commission shall be derived
2 one-third from health care practitioners, ONE-THIRD FROM THE HEALTH CARE
3 PROVIDERS, and [two-thirds] ONE-THIRD from payors.

4 (ii) The Commission may adopt a regulation that waives the fee
5 assessed under this section for a specific class of health care practitioners.

6 (3) The total fees assessed by the Commission may not exceed \$5,000,000
7 in any fiscal year.

8 (4) The Commission shall pay all funds collected from fees assessed in
9 accordance with this section into the Health Care Access and Cost Fund.

10 (5) The fees assessed in accordance with this section shall be used only
11 for the purposes authorized under this subtitle.

12 (b) The fees assessed in accordance with this section on health care
13 practitioners AND HEALTH CARE PROVIDERS shall be:

14 (1) Included in the licensing fee paid to the Board; and

15 (2) Transferred to the Commission on a quarterly basis.

16 (c) (1) The fees assessed on payors in accordance with § 15-111 of the
17 Insurance Article shall be apportioned among each payor based on the ratio of each
18 such payor's total premiums collected in the State to the total collected premiums of
19 all such payors in the State.

20 (2) On or before June 1 of each year, the Commission shall notify the
21 State Insurance Commissioner by memorandum of the total assessment on payors for
22 that year.

23 (d) (1) There is a Health Care Access and Cost Fund.

24 (2) The Fund is a special continuing, nonlapsing fund that is not subject
25 to § 7-302 of the State Finance and Procurement Article.

26 (3) The Treasurer shall separately hold, and the Comptroller shall
27 account for, the Fund.

28 (4) The Fund shall be invested and reinvested in the same manner as
29 other State funds.

30 (5) Any investment earnings shall be retained to the credit of the Fund.

31 (6) The Fund shall be subject to an audit by the Office of Legislative
32 Audits as provided for in § 2-1220 of the State Government Article.

33 (7) This section may not be construed to prohibit the Fund from
34 receiving funds from any other source.

1 (8) The Fund shall be used only to provide funding for the Commission
2 and for the purposes authorized under this subtitle.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 1998.