
By: **Delegate Pitkin**
Introduced and read first time: February 13, 1998
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Duration of Pregnancy Benefits**

3 FOR the purpose of requiring certain carriers to establish procedures to notify an
4 enrollee who is in the second trimester of pregnancy of the right of the enrollee
5 to continue to receive health care services from the primary care provider of the
6 enrollee after a certain notice of termination of the provider from the carrier's
7 provider panel; requiring a certain primary care provider, after a certain notice
8 of termination of the provider from a certain carrier's provider panel, to
9 continue to furnish health care services to a certain enrollee who is in the second
10 trimester of pregnancy under certain circumstances; and generally relating to
11 the duration of certain health care services.

12 BY repealing and reenacting, with amendments,
13 Article - Insurance
14 Section 15-112
15 Annotated Code of Maryland
16 (1997 Volume)

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

19 **Article - Insurance**

20 15-112.

21 (a) (1) In this section the following words have the meanings indicated.

22 (2) (i) "Carrier" means:

- 23 1. an insurer;
- 24 2. a nonprofit health service plan;
- 25 3. a health maintenance organization;
- 26 4. a dental plan organization; or

1 5. any other person that provides health benefit plans
2 subject to regulation by the State.

3 (ii) "Carrier" includes an entity that arranges a provider panel for a
4 carrier.

5 (3) "Enrollee" means a person entitled to health care benefits from a
6 carrier.

7 (4) "Provider" means a health care practitioner or group of health care
8 practitioners licensed, certified, or otherwise authorized by law to provide health care
9 services.

10 (5) (i) "Provider panel" means the providers that contract with a
11 carrier to provide health care services to the carrier's enrollees under the carrier's
12 health benefit plan.

13 (ii) "Provider panel" does not include an arrangement in which any
14 provider may participate solely by contracting with the carrier to provide health care
15 services at a discounted fee-for-service rate.

16 (b) A carrier that uses a provider panel shall establish procedures to:

17 (1) review applications for participation on the carrier's provider panel in
18 accordance with this section;

19 (2) notify an enrollee of:

20 (i) the termination from the carrier's provider panel of the primary
21 care provider that was furnishing health care services to the enrollee; and

22 (ii) 1. the right of the enrollee, on request, to continue to receive
23 health care services from the enrollee's primary care provider for up to 90 days after
24 the date of the notice of termination of the enrollee's primary care provider from the
25 carrier's provider panel, if the termination was for reasons unrelated to fraud, patient
26 abuse, incompetency, or loss of licensure status; AND

27 2. THE RIGHT OF THE ENROLLEE, IF THE ENROLLEE IS IN
28 THE SECOND TRIMESTER OF PREGNANCY, ON REQUEST, TO CONTINUE TO RECEIVE
29 HEALTH CARE SERVICES FROM THE ENROLLEE'S PRIMARY CARE PROVIDER AFTER
30 THE DATE OF THE NOTICE OF TERMINATION OF THE ENROLLEE'S PRIMARY CARE
31 PROVIDER FROM THE CARRIER'S PROVIDER PANEL, IF THE TERMINATION WAS FOR
32 REASONS UNRELATED TO FRAUD, PATIENT ABUSE, INCOMPETENCY, OR LOSS OF
33 LICENSURE STATUS;

34 (3) notify primary care providers on the carrier's provider panel of the
35 termination of a specialty referral services provider; and

1 (4) notify a provider at least 90 days before the date of the termination of
2 the provider from the carrier's provider panel, if the termination is for reasons
3 unrelated to fraud, patient abuse, incompetency, or loss of licensure status.

4 (c) A carrier that uses a provider panel:

5 (1) on request, shall provide an application and information that relates
6 to consideration for participation on the carrier's provider panel to any provider
7 seeking to apply for participation;

8 (2) shall make publicly available its application; and

9 (3) shall make efforts to increase the opportunity for a broad range of
10 minority providers to participate on the carrier's provider panel.

11 (d) (1) A provider that seeks to participate on a provider panel of a carrier
12 shall submit an application to the carrier.

13 (2) (i) Subject to paragraph (3) of this subsection, the carrier, after
14 reviewing the application, shall accept or reject the provider for participation on the
15 carrier's provider panel.

16 (ii) If the carrier rejects the provider for participation on the
17 carrier's provider panel, the carrier shall send to the provider at the address listed in
18 the application written notice of the rejection.

19 (3) (i) Except as provided in paragraph (4) of this subsection, within
20 30 days after the date a carrier receives a completed application, the carrier shall
21 send to the provider at the address listed in the application written notice of:

22 1. the carrier's intent to continue to process the provider's
23 application to obtain necessary credentialing information; or

24 2. the carrier's rejection of the provider for participation on
25 the carrier's provider panel.

26 (ii) The failure of a carrier to provide the notice required under
27 subparagraph (i) of this paragraph is a violation of this article and the carrier is
28 subject to the penalties provided by § 4-113(d) of this article.

29 (iii) If, under subparagraph (i)1 of this paragraph, a carrier provides
30 notice to the provider of its intent to continue to process the provider's application to
31 obtain necessary credentialing information, the carrier, within 150 days after the date
32 the notice is provided, shall:

33 1. accept or reject the provider for participation on the
34 carrier's provider panel; and

35 2. send written notice of the acceptance or rejection to the
36 provider at the address listed in the application.

1 (iv) The failure of a carrier to provide the notice required under
2 subparagraph (iii)2 of this paragraph is a violation of this article and the carrier is
3 subject to the provisions of and penalties provided by §§ 4-113 and 4-114 of this
4 article.

5 (4) (i) A carrier that receives an incomplete application shall return
6 the application to the provider at the address listed in the application within 10 days
7 after the date the application is received.

8 (ii) The carrier shall indicate to the provider what information is
9 needed to make the application complete.

10 (iii) The provider may return the completed application to the
11 carrier.

12 (iv) After the carrier receives the completed application, the carrier
13 is subject to the time periods established in paragraph (3) of this subsection.

14 (5) A carrier may charge a reasonable fee for an application submitted to
15 the carrier under this section.

16 (e) A carrier may not deny an application for participation or terminate
17 participation on its provider panel on the basis of:

18 (1) gender, race, age, religion, national origin, or a protected category
19 under the federal Americans with Disabilities Act;

20 (2) the type or number of appeals that the provider files under Title 19,
21 Subtitle 13 of the Health - General Article; or

22 (3) the type or number of complaints or grievances that the provider files
23 or requests for review under the carrier's internal review system established under
24 subsection (h) of this section.

25 (f) (1) A carrier may not deny an application for participation or terminate
26 participation on its provider panel solely on the basis of the license, certification, or
27 other authorization of the provider to provide health care services if the carrier
28 provides health care services within the provider's lawful scope of practice.

29 (2) Notwithstanding paragraph (1) of this subsection, a carrier may
30 reject an application for participation or terminate participation on its provider panel
31 based on the participation on the provider panel of a sufficient number of similarly
32 qualified providers.

33 (3) A violation of this subsection does not create a new cause of action.

34 (g) A carrier may not terminate participation on its provider panel or
35 otherwise penalize a provider for:

1 (1) advocating the interests of a patient through the carrier's internal
2 review system established under subsection (h) of this section; or

3 (2) filing an appeal under Title 19, Subtitle 13 of the Health - General
4 Article.

5 (h) Each carrier shall establish an internal review system to resolve
6 grievances initiated by providers that participate on the carrier's provider panel,
7 including grievances involving the termination of a provider from participation on the
8 carrier's provider panel.

9 (i) (1) For at least 90 days after the date of the notice of termination of a
10 primary care provider from a carrier's provider panel for reasons unrelated to fraud,
11 patient abuse, incompetency, or loss of licensure status, the primary care provider
12 shall furnish health care services to each enrollee:

13 (i) who was receiving health care services from the primary care
14 provider before the notice of termination; and

15 (ii) who, after receiving notice under subsection (b) of this section of
16 the termination of the primary care provider, requests to continue receiving health
17 care services from the primary care provider.

18 (2) AFTER THE DATE OF THE NOTICE OF TERMINATION OF A PRIMARY
19 CARE PROVIDER FROM A CARRIER'S PROVIDER PANEL FOR REASONS UNRELATED TO
20 FRAUD, PATIENT ABUSE, INCOMPETENCY, OR LOSS OF LICENSURE STATUS, THE
21 PRIMARY CARE PROVIDER SHALL CONTINUE TO FURNISH HEALTH CARE SERVICES
22 TO EACH ENROLLEE:

23 (I) WHO WAS IN THE SECOND TRIMESTER OF PREGNANCY AND
24 RECEIVING HEALTH CARE SERVICES FROM THE PRIMARY CARE PROVIDER BEFORE
25 THE NOTICE OF TERMINATION; AND

26 (II) WHO, AFTER RECEIVING NOTICE UNDER SUBSECTION (B) OF
27 THIS SECTION OF THE TERMINATION OF THE PRIMARY CARE PROVIDER, REQUESTS
28 TO CONTINUE RECEIVING HEALTH CARE SERVICES FROM THE PRIMARY CARE
29 PROVIDER.

30 [(2)] (3) A carrier shall reimburse a primary care provider that furnishes
31 health care services under this subsection in accordance with the primary care
32 provider's agreement with the carrier.

33 (j) (1) A carrier shall provide to prospective enrollees before enrollment and
34 to existing enrollees at least once a year:

35 (i) a list of providers on the carrier's provider panel; and

36 (ii) information on providers that are no longer accepting new
37 patients.

1 (2) The information provided under paragraph (1) of this subsection
2 shall be updated at least once a year.

3 (3) A policy, certificate, or other evidence of coverage shall:

4 (i) indicate clearly the office in the administration that is
5 responsible for receiving and responding to complaints from enrollees about carriers;
6 and

7 (ii) include the telephone number of the office and the procedure for
8 filing a complaint.

9 (k) The Commissioner:

10 (1) shall adopt regulations that relate to the procedures that carriers
11 must use to process applications for participation on a provider panel; and

12 (2) in consultation with the Secretary of Health and Mental Hygiene,
13 shall adopt strategies to assist carriers in maximizing the opportunity for a broad
14 range of minority providers to participate in the delivery of health care services.

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