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By: Senator Hollinger

Introduced and read first time: February 6, 1998 Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning 2 **Health Occupations - Medical Review Committees - Confidential** 3 **Information** 4 FOR the purpose of adding accreditation organizations to the list of organizations 5 that are prohibited from obtaining certain confidential information under 6 certain circumstances; prohibiting the release of certain confidential information to certain organizations; defining certain terms; and generally 7 8 relating to the confidential information of medical review committees. 9 BY repealing and reenacting, with amendments, Article - Health Occupations 10 Section 14-501 11 12 Annotated Code of Maryland (1994 Replacement Volume and 1997 Supplement) 13 14 BY repealing and reenacting, without amendments, Article - Health Occupations 15 Section 14-501.1 16 17 Annotated Code of Maryland 18 (1994 Replacement Volume and 1997 Supplement) 19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 20 MARYLAND, That the Laws of Maryland read as follows: 21 **Article - Health Occupations**

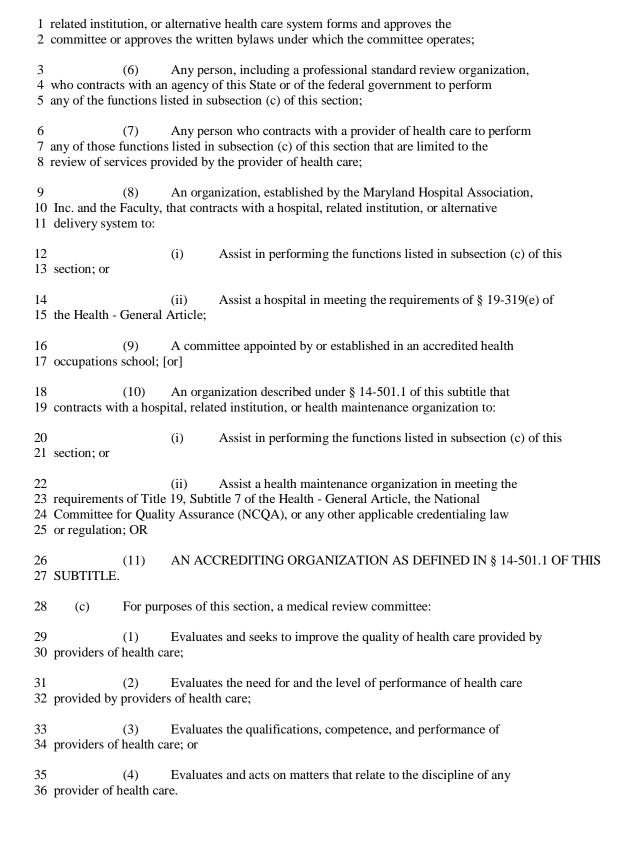
22 14-501.

- 23 (a) (1) In this section the following words have the meanings indicated.
- 24 (2) (i) "Alternative health care system" means a system of health care
- 25 delivery other than a hospital or related institution.
- 26 (ii) "Alternative health care system" includes:

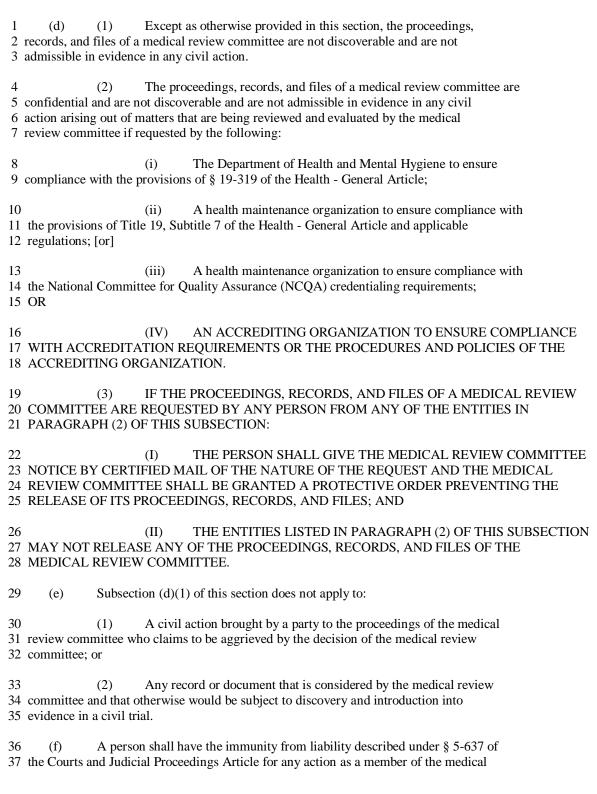
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1	1. A health maintenance organization;	
2	2. A preferred provider organization;	
3	3. An independent practice association;	
	4. A community health center that is a nonprofit, freestanding ambulatory health care provider governed by a voluntary board of directors and that provides primary health care services to the medically indigent; or	
7 8	5. Any other health care delivery system that utilizes a medical review committee.	
9	(3) "Medical review committee" means a committee or board that:	
10 11	(i) Is within one of the categories described in subsection (b) of this section; and	
12 13	(ii) Performs [any of] FUNCTIONS THAT INCLUDE AT LEAST OF the functions listed in subsection (c) of this section.	ONE
14 15	(4) (i) "Provider of health care" means any person who is licensed by law to provide health care to individuals.	
18	(ii) "Provider of health care" does not include any nursing institution that is conducted by and for those who rely on treatment by spiritual means through prayer alone in accordance with the tenets and practices of a recognized church or religious denomination.	
20 21	(5) "The Maryland Institute for Emergency Medical Services Systems" means the State agency described in § 13-503 of the Education Article.	
22	(b) For purposes of this section, a medical review committee is:	
23 24	(1) A regulatory board or agency established by State or federal law to license, certify, or discipline any provider of health care;	
	(2) A committee of the Faculty or any of its component societies or a committee of any other professional society or association composed of providers of health care;	
28 29	(3) A committee appointed by or established in a local health department for review purposes;	
30 31	(4) A committee appointed by or established in the Maryland Institute for Emergency Medical Services Systems;	
34	(5) A committee of the medical staff or other committee, including any risk management, credentialing, or utilization review committee established in accordance with § 19-319 of the Health - General Article, of a hospital, related institution, or alternative health care system, if the governing board of the hospital,	

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- 1 review committee or for giving information to, participating in, or contributing to the 2 function of the medical review committee.
- 3 (g) Notwithstanding this section, §§ 14-410 and 14-412 of this title apply to:
- 4 (1) The Board; and
- 5 (2) Any other entity, to the extent that it is acting in an investigatory 6 capacity for the Board.
- 7 14-501.1.
- 8 (a) (1) In this section the following words have the meanings indicated.
- 9 (2) "Accrediting organization" means an organization that awards
- 10 accreditation to managed care organizations, other health care organizations,
- 11 hospitals, or other related institutions.
- 12 (3) "Primary source verification" means a procedure used by a hospital,
- 13 related institution, or health maintenance organization to ensure the truth and
- 14 accuracy of objective verifiable information submitted to the hospital, related
- 15 institution, or health maintenance organization by a physician who is applying for
- 16 practice privileges, entering into contract, or seeking employment with a hospital,
- 17 related institution, or health maintenance organization.
- 18 (b) On or before January 1, 1997, the Secretary shall adopt regulations for a
- 19 credentialing primary source verification information system that is available for all
- 20 physicians licensed under the Health Occupations Article.
- 21 (c) After the Secretary reviews the standards of appropriate accrediting
- 22 organizations and consults with the Faculty, the Maryland Hospital Association, and
- 23 the Maryland Association of Health Maintenance Organizations, the regulations
- 24 adopted by the Secretary under subsection (b) of this section shall:
- 25 (1) Provide for a procedure for the collection and release of primary
- 26 source verification information;
- 27 (2) Include standards by which any organization, including the Faculty,
- 28 may qualify to perform primary source verification; and
- 29 Provide for the monitoring by the Secretary of any organization that
- 30 qualifies to administer primary source verification.
- 31 (d) The Secretary may authorize hospitals, related institutions, or health
- 32 maintenance organizations to rely on primary source verification information
- 33 provided by an organization qualified to perform primary source verification in
- 34 accordance with regulations adopted by the Secretary under this section instead of
- 35 requiring a hospital, related institution, or health maintenance organization to use its
- 36 own primary source verification procedure to test the truth and accuracy of
- 37 information submitted.

- 1 (e) This section does not prohibit a hospital, related institution, or health 2 maintenance organization from using its own primary source verification procedure.
- 3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 4 October 1, 1998.