
By: **Senator Hollinger**

Introduced and read first time: February 6, 1998

Assigned to: Economic and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 20, 1998

CHAPTER _____

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~~ releasing certain confidential information
6 under certain circumstances; prohibiting the release of certain confidential
7 information to certain organizations; defining certain terms; and generally
8 relating to the confidential information of medical review committees.

9 BY repealing and reenacting, with amendments,
10 Article - Health Occupations
11 Section 14-501
12 Annotated Code of Maryland
13 (1994 Replacement Volume and 1997 Supplement)

14 BY repealing and reenacting, without amendments,
15 Article - Health Occupations
16 Section 14-501.1
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:

1

Article - Health Occupations

2 14-501.

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

4 (2) (i) "Alternative health care system" means a system of health care
5 delivery other than a hospital or related institution.

6 (ii) "Alternative health care system" includes:

7 1. A health maintenance organization;

8 2. A preferred provider organization;

9 3. An independent practice association;

10 4. A community health center that is a nonprofit,
11 freestanding ambulatory health care provider governed by a voluntary board of
12 directors and that provides primary health care services to the medically indigent; or13 5. Any other health care delivery system that utilizes a
14 medical review committee.

15 (3) "Medical review committee" means a committee or board that:

16 (i) Is within one of the categories described in subsection (b) of this
17 section; and18 (ii) Performs [any of] FUNCTIONS THAT INCLUDE AT LEAST ONE
19 OF the functions listed in subsection (c) of this section.20 (4) (i) "Provider of health care" means any person who is licensed by
21 law to provide health care to individuals.22 (ii) "Provider of health care" does not include any nursing
23 institution that is conducted by and for those who rely on treatment by spiritual
24 means through prayer alone in accordance with the tenets and practices of a
25 recognized church or religious denomination.26 (5) "The Maryland Institute for Emergency Medical Services Systems"
27 means the State agency described in § 13-503 of the Education Article.

28 (b) For purposes of this section, a medical review committee is:

29 (1) A regulatory board or agency established by State or federal law to
30 license, certify, or discipline any provider of health care;31 (2) A committee of the Faculty or any of its component societies or a
32 committee of any other professional society or association composed of providers of
33 health care;

1 (3) A committee appointed by or established in a local health department
2 for review purposes;

3 (4) A committee appointed by or established in the Maryland Institute
4 for Emergency Medical Services Systems;

5 (5) A committee of the medical staff or other committee, including any
6 risk management, credentialing, or utilization review committee established in
7 accordance with § 19-319 of the Health - General Article, of a hospital, related
8 institution, or alternative health care system, if the governing board of the hospital,
9 related institution, or alternative health care system forms and approves the
10 committee or approves the written bylaws under which the committee operates;

11 (6) Any person, including a professional standard review organization,
12 who contracts with an agency of this State or of the federal government to perform
13 any of the functions listed in subsection (c) of this section;

14 (7) Any person who contracts with a provider of health care to perform
15 any of those functions listed in subsection (c) of this section that are limited to the
16 review of services provided by the provider of health care;

17 (8) An organization, established by the Maryland Hospital Association,
18 Inc. and the Faculty, that contracts with a hospital, related institution, or alternative
19 delivery system to:

20 (i) Assist in performing the functions listed in subsection (c) of this
21 section; or

22 (ii) Assist a hospital in meeting the requirements of § 19-319(e) of
23 the Health - General Article;

24 (9) A committee appointed by or established in an accredited health
25 occupations school; [or]

26 (10) An organization described under § 14-501.1 of this subtitle that
27 contracts with a hospital, related institution, or health maintenance organization to:

28 (i) Assist in performing the functions listed in subsection (c) of this
29 section; or

30 (ii) Assist a health maintenance organization in meeting the
31 requirements of Title 19, Subtitle 7 of the Health - General Article, the National
32 Committee for Quality Assurance (NCQA), or any other applicable credentialing law
33 or regulation; OR

34 (11) AN ACCREDITING ORGANIZATION AS DEFINED IN § 14-501.1 OF THIS
35 SUBTITLE.

36 (c) For purposes of this section, a medical review committee:

1 (1) Evaluates and seeks to improve the quality of health care provided by
2 providers of health care;

3 (2) Evaluates the need for and the level of performance of health care
4 provided by providers of health care;

5 (3) Evaluates the qualifications, competence, and performance of
6 providers of health care; or

7 (4) Evaluates and acts on matters that relate to the discipline of any
8 provider of health care.

9 (d) (1) Except as otherwise provided in this section, the proceedings,
10 records, and files of a medical review committee are not discoverable and are not
11 admissible in evidence in any civil action.

12 (2) The proceedings, records, and files of a medical review committee are
13 confidential and are not discoverable and are not admissible in evidence in any civil
14 action arising out of matters that are being reviewed and evaluated by the medical
15 review committee if requested by the following:

16 (i) The Department of Health and Mental Hygiene to ensure
17 compliance with the provisions of § 19-319 of the Health - General Article;

18 (ii) A health maintenance organization to ensure compliance with
19 the provisions of Title 19, Subtitle 7 of the Health - General Article and applicable
20 regulations; [or]

21 (iii) A health maintenance organization to ensure compliance with
22 the National Committee for Quality Assurance (NCQA) credentialing requirements;
23 OR

24 (IV) AN ACCREDITING ORGANIZATION TO ENSURE COMPLIANCE
25 WITH ACCREDITATION REQUIREMENTS OR THE PROCEDURES AND POLICIES OF THE
26 ACCREDITING ORGANIZATION.

27 (3) IF THE PROCEEDINGS, RECORDS, AND FILES OF A MEDICAL REVIEW
28 COMMITTEE ARE REQUESTED BY ANY PERSON FROM ANY OF THE ENTITIES IN
29 PARAGRAPH (2) OF THIS SUBSECTION:

30 (I) THE PERSON SHALL GIVE THE MEDICAL REVIEW COMMITTEE
31 NOTICE BY CERTIFIED MAIL OF THE NATURE OF THE REQUEST AND THE MEDICAL
32 REVIEW COMMITTEE SHALL BE GRANTED A PROTECTIVE ORDER PREVENTING THE
33 RELEASE OF ITS PROCEEDINGS, RECORDS, AND FILES; AND

34 (II) THE ENTITIES LISTED IN PARAGRAPH (2) OF THIS SUBSECTION
35 MAY NOT RELEASE ANY OF THE PROCEEDINGS, RECORDS, AND FILES OF THE
36 MEDICAL REVIEW COMMITTEE.

37 (e) Subsection (d)(1) of this section does not apply to:

1 (1) A civil action brought by a party to the proceedings of the medical
2 review committee who claims to be aggrieved by the decision of the medical review
3 committee; or

4 (2) Any record or document that is considered by the medical review
5 committee and that otherwise would be subject to discovery and introduction into
6 evidence in a civil trial.

7 (f) A person shall have the immunity from liability described under § 5-637 of
8 the Courts and Judicial Proceedings Article for any action as a member of the medical
9 review committee or for giving information to, participating in, or contributing to the
10 function of the medical review committee.

11 (g) Notwithstanding this section, §§ 14-410 and 14-412 of this title apply to:

12 (1) The Board; and

13 (2) Any other entity, to the extent that it is acting in an investigatory
14 capacity for the Board.

15 14-501.1.

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

17 (2) "Accrediting organization" means an organization that awards
18 accreditation to managed care organizations, other health care organizations,
19 hospitals, or other related institutions.

20 (3) "Primary source verification" means a procedure used by a hospital,
21 related institution, or health maintenance organization to ensure the truth and
22 accuracy of objective verifiable information submitted to the hospital, related
23 institution, or health maintenance organization by a physician who is applying for
24 practice privileges, entering into contract, or seeking employment with a hospital,
25 related institution, or health maintenance organization.

26 (b) On or before January 1, 1997, the Secretary shall adopt regulations for a
27 credentialing primary source verification information system that is available for all
28 physicians licensed under the Health Occupations Article.

29 (c) After the Secretary reviews the standards of appropriate accrediting
30 organizations and consults with the Faculty, the Maryland Hospital Association, and
31 the Maryland Association of Health Maintenance Organizations, the regulations
32 adopted by the Secretary under subsection (b) of this section shall:

33 (1) Provide for a procedure for the collection and release of primary
34 source verification information;

35 (2) Include standards by which any organization, including the Faculty,
36 may qualify to perform primary source verification; and

1 (3) Provide for the monitoring by the Secretary of any organization that
2 qualifies to administer primary source verification.

3 (d) The Secretary may authorize hospitals, related institutions, or health
4 maintenance organizations to rely on primary source verification information
5 provided by an organization qualified to perform primary source verification in
6 accordance with regulations adopted by the Secretary under this section instead of
7 requiring a hospital, related institution, or health maintenance organization to use its
8 own primary source verification procedure to test the truth and accuracy of
9 information submitted.

10 (e) This section does not prohibit a hospital, related institution, or health
11 maintenance organization from using its own primary source verification procedure.

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