

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 860 (Delegate Exum)
Economic Matters

**Health Insurance Carriers - Assignment, Transfer, or Subcontracting of Health
Care Providers' Contracts**

This amended bill prohibits a health insurer, nonprofit health service plan, or HMO (carrier) from assigning, transferring, or subcontracting a health care provider's contract to an insurer that offers personal injury protection coverage without first informing the provider and obtaining the provider's written consent. A carrier may not impair the contract of a provider on the basis that the provider refused to agree to an assignment, transfer, or subcontract of the provider's contract to an insurer that offers personal injury protection coverage.

Fiscal Summary

State Effect: None. This bill would not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: Potential minimal. Small business health care providers may benefit as a result of more stable contract agreements and greater certainty regarding payment arrangements.

Information Source(s): Insurance Administration; Department of Budget and Management; Department of Health and Mental Hygiene (Health Care Access and Cost Commission, Medical Care Policy Administration, Boards and Commissions); Department of Legislative Services

Fiscal Note History: First Reader - February 20, 1998
Inc Revised - House Third Reader - March 18, 1998

Analysis by: Lina Walker

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710