

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 556 (Delegate Morhaim. *et al.*)
Environmental Matters

Health - Utilization Review

This bill requires the Insurance Commissioner, in consultation with the Maryland Hospital Association, Blue Cross and Blue Shield of Maryland and of the National Capital Area, the Maryland Association of Health Maintenance Organizations, the League of Life and Health Insurers, the Medical-Chirurgical Faculty of Maryland, and other organizations representing health care providers and health insurance carriers, to study hospital utilization review. The study must consider: (1) the availability of clear and consistent operating policies and procedures; (2) the use of concurrent, rather than retrospective, review and the availability of personnel needed for concurrent review; (3) payment for ancillary services, when payment is denied for hospital days; (4) the appropriate use of industry guidelines in reviewing the health care requirements of individual patients; and (5) the cooperation of health insurance carriers and health care providers in hospital discharge planning. The findings and recommendations of the study must be reported to the Senate Finance Committee, the House Economic Matters Committee, and the House Environmental Matters Committee by December 1, 1998.

The bill takes effect July 1, 1998.

Fiscal Summary

State Effect: None. The bill's requirements could be handled with existing resources.

Local Effect: None.

Small Business Effect: None.

Information Source(s): Insurance Administration, Department of Budget and Management, Department of Health and Mental Hygiene (Health Services Cost Review

Commission, Licensing and Certification), Department of Legislative Services

Fiscal Note History:

First Reader - February 16, 1998

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Revised - Enrolled Bill - April 30, 1998

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