

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 667 (Senator Teitelbaum. *et al.*)

Finance

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

This 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.

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
lc Revised - Senate Third Reader - March 31, 1998
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