

BY: Finance Committee

AMENDMENTS TO HOUSE BILL NO. 572

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “- Fee” in line 2 down through “Guidelines” in line 3; strike beginning with “relating” in line 5 down through “guidelines” in line 6; and in line 6, after “times;” insert “altering the manner of determining the amount of reimbursement of health care practitioners by certain health insurance carriers; providing that certain health insurance carriers may not reimburse a health care practitioner in an amount less than that specified in a certain reimbursement schedule; prohibiting certain health insurance carriers from providing bonuses or other incentive-based compensation to health care practitioners under certain circumstances; permitting certain health insurance carriers to distribute risk pool funds to health care practitioners under certain circumstances; authorizing the Maryland Insurance Administration to adopt certain regulations; defining certain terms; providing for a delayed effective date;”.

AMENDMENT NO. 2

On page 2, after line 7, insert:

“(4) “MEDICAL SERVICES” MEANS ANY COVERED SERVICES THAT AN ENROLLEE OR INSURED IS ENTITLED TO UNDER A CARRIER'S CONTRACT WITH THE ENROLLEE OR INSURED.

(5) “REIMBURSEMENT SCHEDULE” MEANS THE PAYMENT AMOUNTS, WHETHER PAID ON A CAPITATED BASIS, FEE FOR SERVICES BASIS, OR OTHER BASIS, THAT A CARRIER HAS ESTABLISHED FOR PAYMENTS TO A HEALTH CARE PRACTITIONER, OR A PRACTICE GROUP OF HEALTH CARE PRACTITIONERS, FOR THE PERFORMANCE OF A SPECIFIC MEDICAL SERVICE OR GROUP OF MEDICAL SERVICES.

(6) “RISK POOL FUNDS” MEANS THE PORTION OF PREMIUM INCOME THAT A CARRIER MAY SET ASIDE FOR SUBSEQUENT PERIODIC DISTRIBUTION TO A

(Over)

HEALTH CARE PRACTITIONER OR A PRACTICE GROUP OF HEALTH CARE PRACTITIONERS WITH WHOM THE CARRIER HAS CONTRACTED BASED ON THE OVERALL UTILIZATION OF SERVICES IN THE CARRIER'S ENTIRE HEALTH CARE PLAN OVER A DESIGNATED PERIOD OF TIME.”.

AMENDMENT NO. 3

On page 2, strike beginning with the first “the” in line 9 down through “practitioner” in line 10 and substitute “THAT SPECIFIED IN THE REIMBURSEMENT SCHEDULE THAT IS APPLICABLE TO THE HEALTH CARE PRACTITIONER AND IS IN EFFECT ON THE DATE THAT MEDICAL SERVICES ARE PROVIDED BY THE HEALTH CARE PRACTITIONER TO THE CARRIER'S ENROLLEE OR INSURED”.

AMENDMENT NO. 4

On page 2, strike in their entirety lines 11 and 12; and strike in their entirety lines 22 through 32, inclusive.

AMENDMENT NO. 5

On page 3, strike in their entirety lines 1 through 5, inclusive, and substitute:

“(C) (1) A CARRIER MAY NOT ADOPT A REIMBURSEMENT SCHEDULE THAT REDUCES THE AMOUNT OF REIMBURSEMENT TO A HEALTH CARE PRACTITIONER OR A PRACTICE GROUP OF HEALTH CARE PRACTITIONERS BASED ON THE OVERALL NUMBER OR COST OF MEDICAL SERVICES PROPOSED OR RECOMMENDED BY THE HEALTH CARE PRACTITIONER OR THE PRACTICE GROUP OF HEALTH CARE PRACTITIONERS.

(2) (I) A CARRIER MAY PROVIDE BONUSES OR OTHER INCENTIVE-BASED COMPENSATION TO A HEALTH CARE PRACTITIONER ONLY IF THE BONUS OR OTHER INCENTIVE-BASED COMPENSATION DOES NOT:

1. VIOLATE § 19-705.1 OF THE HEALTH - GENERAL ARTICLE; OR

2. DETER THE DELIVERY OF MEDICALLY APPROPRIATE

CARE TO AN ENROLLEE OR INSURED.

(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, NO BONUS OR OTHER INCENTIVE-BASED COMPENSATION THAT IS BASED ON THE AMOUNT OF HEALTH CARE SERVICES OR RESOURCES PROVIDED TO AN ENROLLEE OR INSURED MAY BE PROVIDED TO A HEALTH CARE PRACTITIONER OR A PRACTICE GROUP OF HEALTH CARE PRACTITIONERS, EXCEPT THAT A BONUS MAY BE BASED, IN WHOLE OR IN PART, ON THE PROVISION OF PREVENTATIVE HEALTH CARE SERVICES.

(III) RISK POOL FUNDS MAY BE DISTRIBUTED TO A HEALTH CARE PRACTITIONER OR A PRACTICE GROUP OF HEALTH CARE PRACTITIONERS SO LONG AS THE AMOUNT OF THE DISTRIBUTION TO ANY PARTICULAR HEALTH CARE PRACTITIONER OR ANY PARTICULAR PRACTICE GROUP OF HEALTH CARE PRACTITIONERS IS NOT INVERSELY LINKED TO THE OVERALL NUMBER OR COST OF MEDICAL SERVICES PROPOSED OR RECOMMENDED BY THE HEALTH CARE PRACTITIONER OR THE PRACTICE GROUP OF HEALTH CARE PRACTITIONERS.

(D) (1) A CARRIER SHALL PROVIDE A COPY OF THE CARRIER'S REIMBURSEMENT SCHEDULE THAT IS APPROPRIATE TO THE HEALTH CARE PRACTITIONER'S SPECIALTY, SUBSPECIALTY, OR GEOGRAPHIC REGION AND THE METHODOLOGY USED TO DETERMINE ANY BONUSES OR OTHER INCENTIVE-BASED COMPENSATION:

(I) WITH ANY NEW CONTRACT OFFERING TO HEALTH CARE PRACTITIONERS WHO DO NOT CURRENTLY HAVE A CONTRACT WITH THE CARRIER;

(II) ONCE A YEAR ON REQUEST OF A HEALTH CARE PRACTITIONER WITH WHOM THE CARRIER HAS A CONTRACT TO PROVIDE SERVICES TO THE CARRIER'S ENROLLEES OR INSUREDS; AND

(III) 90 DAYS BEFORE ANY PROPOSED CHANGE IN THE REIMBURSEMENT SCHEDULE OR IN THE METHODOLOGY USED TO DETERMINE BONUSES OR OTHER INCENTIVE-BASED COMPENSATION.

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(2) THE REIMBURSEMENT SCHEDULE PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE THE PROPOSED PAYMENTS FOR THE MOST COMMON EVALUATION AND MANAGEMENT SERVICES AND SURGICAL PROCEDURES THAT THE HEALTH CARE PRACTITIONER REASONABLY WOULD BE EXPECTED TO PERFORM FOR THE CARRIER'S ENROLLEES OR INSUREDS.

(E) THE ADMINISTRATION MAY ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF SUBSECTIONS (B), (C), AND (D) OF THIS SECTION.”;

in line 6, strike “(E)” and substitute “(F)”; and in line 16, strike “(F)” and substitute “(G)”.

AMENDMENT NO. 6

On page 3, in line 26, strike “October 1, 1999” and substitute “January 1, 2000”.