
By: **Delegates Doory, Hurson, Love, Krysiak, and Goldwater**
Introduced and read first time: February 1, 1999
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Maintenance Organizations - Termination of Providers -**
3 **Notification and Appeal**

4 FOR the purpose of requiring health maintenance organizations to notify a
5 participating provider of the reason for the provider's termination from the
6 provider panel of the health maintenance organization; altering the internal
7 review and grievance process of a health maintenance organization; and
8 generally relating to the grievance process for participating providers in health
9 maintenans.

10 BY repealing and reenacting, with amendments,
11 Article - Insurance
12 Section 15-112(h)
13 Annotated Code of Maryland
14 (1997 Volume and 1998 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Insurance**

18 15-112.

19 (h) (1) Each carrier shall establish an internal review system to resolve
20 grievances initiated by providers that participate on the carrier's provider panel,
21 including grievances involving the termination of a provider from participation on the
22 carrier's provider panel.

23 (2) IF THE GRIEVANCE INVOLVES THE TERMINATION OF A PROVIDER
24 FROM PARTICIPATION ON THE PROVIDER PANEL OF A HEALTH MAINTENANCE
25 ORGANIZATION, THE HEALTH MAINTENANCE ORGANIZATION SHALL:

26 (I) NOTIFY THE PROVIDER OF THE REASON FOR THE
27 TERMINATION OF THE PROVIDER FROM THE HEALTH MAINTENANCE
28 ORGANIZATION'S PROVIDER PANEL; AND

1 (II) INCLUDE AT LEAST TWO PROVIDERS OF THE SAME SPECIALTY
2 AS THE PROVIDER WHO IS BEING TERMINATED IN THE INTERNAL REVIEW SYSTEM
3 ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 1999.