
By: **Delegates Barve and Goldwater**
Introduced and read first time: February 11, 1999
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Benefit Plans - Health Care Practitioners - Fee Schedules and**
3 **Coding Guidelines**

4 FOR the purpose of requiring certain persons that offer health benefit plans to
5 provide certain written information relating to fee schedules and coding
6 guidelines to health care practitioners at certain times; and generally relating to
7 health benefit plans and health care practitioners.

8 BY repealing and reenacting, with amendments,
9 Article - Insurance
10 Section 15-113
11 Annotated Code of Maryland
12 (1997 Volume and 1998 Supplement)

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

15 **Article - Insurance**

16 15-113.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) "Carrier" means:

19 (i) an insurer;

20 (ii) a nonprofit health service plan;

21 (iii) a health maintenance organization;

22 (iv) a dental plan organization; or

23 (v) any other person that provides health benefit plans subject to
24 regulation by the State.

1 (3) "Health care practitioner" means an individual who is licensed,
2 certified, or otherwise authorized under the Health Occupations Article to provide
3 health care services.

4 (b) A carrier may not reimburse a health care practitioner in an amount less
5 than the sum or rate negotiated in the carrier's provider contract with the health care
6 practitioner.

7 (c) (1) A CARRIER SHALL PROVIDE A HEALTH CARE PRACTITIONER WITH A
8 WRITTEN COPY OF:

9 (I) THE FEE SCHEDULE THAT IS APPLICABLE TO THAT HEALTH
10 CARE PRACTITIONER; AND

11 (II) THE CODING GUIDELINES TO BE USED BY THE PRACTITIONER
12 WHEN SUBMITTING CLAIMS TO THE CARRIER FOR REIMBURSEMENT.

13 (2) A CARRIER SHALL PROVIDE THE FEE SCHEDULE AND CODING
14 GUIDELINES REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION:

15 (I) AT THE TIME OF CONTRACT EXECUTION OR RENEWAL; AND

16 (II) 90 DAYS BEFORE THE CARRIER CHANGES THE FEE SCHEDULE
17 OR CODING GUIDELINES.

18 (D) This section does not prohibit a carrier from providing bonuses or other
19 incentive-based compensation to a health care practitioner if the bonus or other
20 incentive-based compensation does not:

21 (1) violate § 19-705.1 of the Health - General Article; or

22 (2) deter the delivery of medically appropriate care to an enrollee.

23 [(d)] (E) (1) Except as provided in paragraph (2) of this subsection, a carrier
24 may not reimburse a health care practitioner in an amount that is less than the cost
25 to the health care practitioner for the cost of an oncology drug covered under the
26 patient's health benefit policy, plan, or certificate used by the health care practitioner
27 in treating a patient in the office of the health care practitioner.

28 (2) A carrier may reimburse a health care practitioner an amount that is
29 less than the cost to the health care practitioner for the cost of an oncology drug used
30 by the health care practitioner in treating a patient in the office of the health care
31 practitioner if the carrier provides an alternative mechanism or program for the
32 health care practitioner to use to obtain the oncology drug.

33 [(e)] (F) (1) A carrier that compensates health care practitioners wholly or
34 partly on a capitated basis may not retain any capitated fee attributable to an
35 enrollee or covered person during an enrollee's or covered person's contract year.

1 (2) A carrier is in compliance with paragraph (1) of this subsection if,
2 within 45 days after an enrollee or covered person chooses or obtains health care from
3 a health care practitioner, the carrier pays to the health care practitioner all accrued
4 but unpaid capitated fees attributable to that enrollee or person that the health care
5 practitioner would have received had the enrollee or person chosen the health care
6 practitioner at the beginning of the enrollee's or covered person's contract year.

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