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

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 16, 1999

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CHAPTER \_\_\_\_\_

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;

- 1 (iii) a health maintenance organization;
- 2 (iv) a dental plan organization; or
- 3 (v) any other person that provides health benefit plans subject to  
4 regulation by the State.

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

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

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

13 ~~(I) THE FEE SCHEDULE THAT IS APPLICABLE TO THAT HEALTH  
14 CARE PRACTITIONER; AND~~

15 ~~(II) THE CODING GUIDELINES TO BE USED BY THE PRACTITIONER  
16 WHEN SUBMITTING CLAIMS TO THE CARRIER FOR REIMBURSEMENT.~~

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

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

20 ~~(II) 90 DAYS BEFORE THE CARRIER CHANGES THE FEE SCHEDULE  
21 OR CODING GUIDELINES.~~

22 (I) A SCHEDULE OF APPLICABLE FEES FOR UP TO THE TWENTY  
23 MOST COMMON SERVICES BILLED BY A HEALTH CARE PRACTITIONER IN THAT  
24 SPECIALTY; AND

25 (II) A DESCRIPTION OF THE CODING GUIDELINES USED BY THE  
26 CARRIER THAT ARE APPLICABLE TO THE SERVICES BILLED BY A HEALTH CARE  
27 PRACTITIONER IN THAT SPECIALTY.

28 (2) A CARRIER SHALL PROVIDE THE INFORMATION REQUIRED UNDER  
29 PARAGRAPH (1) OF THIS SUBSECTION:

30 (I) AT THE TIME OF CONTRACT EXECUTION;

31 (II) 30 DAYS PRIOR TO A CHANGE; AND

32 (III) UPON REQUEST OF THE HEALTH CARE PRACTITIONER.

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

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

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

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

11 (2) A carrier may reimburse a health care practitioner an amount that is  
12 less than the cost to the health care practitioner for the cost of an oncology drug used  
13 by the health care practitioner in treating a patient in the office of the health care  
14 practitioner if the carrier provides an alternative mechanism or program for the  
15 health care practitioner to use to obtain the oncology drug.

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

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

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