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1999 Regular Session 9lr1876 CF 9lr1875

By: **Delegates Kach, Donoghue, and Goldwater** Introduced and read first time: February 11, 1999 Assigned to: Environmental Matters

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	A BILL ENTITLED
1	AN ACT concerning
2	Health Maintenance Organizations - Enrollees and Subscribers - Private Contracts for Health Care Services
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	make these provisions applicable only to a health care provider or representative of a health care provider who is under written contract with the health maintenance organization; establishing that an enrollee or subscriber of a health maintenance organization is not prohibited from privately contracting with a health care provider who is not under contract with the health maintenance organization for the provision of health care services; and generally relating to health maintenance organizations and health care
19 20 21 22 23	BY repealing and reenacting, with amendments, Article - Health - General Section 19-710(o) and 19-710.1 Annotated Code of Maryland (1996 Replacement Volume and 1998 Supplement)
24 25	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
26	Article - Health - General
27	19-710.
28 29	(o) (1) Except as provided in paragraph (3) of this subsection, individual enrollees and subscribers of A health maintenance [organizations] ORGANIZATION

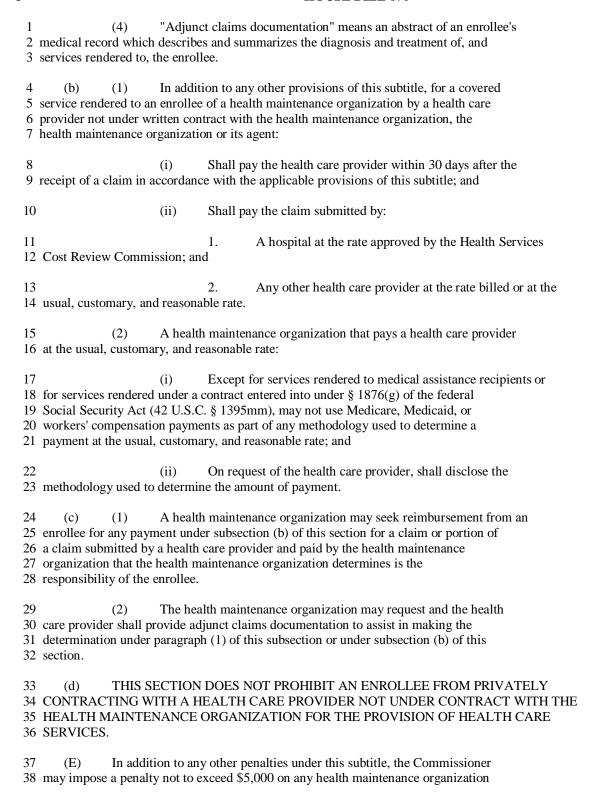
30 THAT IS issued [certificates] A CERTIFICATE of authority to operate in this State

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1 shall not be liable to any health care provider UNDER WRITTEN CONTRACT WITH THE

	HEALTH MAINTENANCE ORGANIZATION for any covered services provided to the enrollee or subscriber.
6 7 8	(2) (i) A health care provider UNDER WRITTEN CONTRACT WITH A HEALTH MAINTENANCE ORGANIZATION or any representative of a health care provider UNDER WRITTEN CONTRACT WITH A HEALTH MAINTENANCE ORGANIZATION may not collect or attempt to collect from any subscriber or enrollee any money owed to the health care provider by a health maintenance organization issued a certificate of authority to operate in this State.
12 13 14	(ii) A health care provider UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION or any representative of a health care provider UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION may not maintain any action against any subscriber or enrollee to collect or attempt to collect any money owed to the health care provider by a health maintenance organization issued a certificate of authority to operate in this State.
18 19	(3) Notwithstanding any other provision of this subsection, a health care provider UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION or representative of a health care provider UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION may collect or attempt to collect from a subscriber or enrollee:
	(i) Any copayment or coinsurance sums owed by the subscriber or enrollee to a health maintenance organization issued a certificate of authority to operate in this State for covered services provided by the health care provider; or
24 25	(ii) Any payment or charges for services not covered under the subscriber's OR ENROLLEE'S contract.
26	19-710.1.
27	(a) (1) In this section the following words have the meanings indicated.
28 29	(2) "Enrollee" means a subscriber or member of the health maintenance organization.
32	(3) "Covered service" means a health care service included in the benefit package of the health maintenance organization and rendered to an enrollee of the health maintenance organization by a health care provider, including a physician or hospital, not under written contract with the health maintenance organization:
	(i) Pursuant to a verbal or written referral by the enrollee's health maintenance organization or by a provider under written contract with the enrollee's health maintenance organization; or
	(ii) That has been preauthorized or otherwise approved either verbally or in writing by the enrollee's health maintenance organization or a provider under written contract with the enrollee's health maintenance organization.

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- 1 which violates the provisions of this section if the violation is committed with such2 frequency as to indicate a general business practice of the health maintenance
- 3 organization.
- 4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 5 October 1, 1999.