

SENATE BILL 267

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1999 Regular Session
9r1632
CF 9r1226

By: **Senators Dorman, Exum, Ferguson, and Hollinger**
Introduced and read first time: February 4, 1999
Assigned to: Finance

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 8, 1999

CHAPTER _____

1 AN ACT concerning

2 **Health Maintenance Organizations - Patient Access to Choice of Provider**

3 FOR the purpose of altering certain standards of care for health maintenance
4 organizations to make them apply to services of ~~certain types of health care~~
5 ~~providers~~ nurse practitioners in addition to physicians; requiring health
6 maintenance organizations to designate certain providers as primary care
7 providers; defining certain terms; and generally relating to health maintenance
8 organizations.

9 BY repealing and reenacting, without amendments,
10 Article - Health - General
11 Section 19-701(a), ~~(h)~~, and ~~(i)~~
12 Annotated Code of Maryland
13 (1996 Replacement Volume and 1998 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article - Health - General
16 Section 19-701(f), ~~(h)~~, and ~~(i)~~ and 19-705.1(b)
17 Annotated Code of Maryland
18 (1996 Replacement Volume and 1998 Supplement)

19 Preamble

20 WHEREAS, The 1997 federal budget bill contains provisions allowing direct
21 Medicare reimbursement to nurse practitioners regardless of geographic setting; and

1 WHEREAS, The new Maryland Medicaid Program, known as "HealthChoice"
2 has recognized nurse practitioners as primary care providers; and

3 WHEREAS, The Maryland General Assembly passed Chapter 605 of the Acts of
4 1995, better known as the "Patient Access Act", which provided Health Maintenance
5 Organization (HMO) members or subscribers greater access and choice of providers;
6 and

7 WHEREAS, The intent of the Maryland General Assembly is to support health
8 care providers who are practicing as their licenses allow; and

9 WHEREAS, The intent of the Maryland General Assembly is to allow members
10 or subscribers of HMOs the most choice in selecting a primary care provider; and

11 WHEREAS, This legislation is not intended to interfere with the current
12 relationship between physicians and nurse practitioners; and

13 WHEREAS, The intent of the Maryland General Assembly is to clarify the laws
14 of Maryland as they relate to allowing members or subscribers of HMO's the greatest
15 amount of choice in selecting a primary care provider for the provision of their health
16 care needs; now, therefore,

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

19 **Article - Health - General**

20 19-701.

21 (a) In this subtitle the following words have the meanings indicated.

22 (f) "Health maintenance organization" means any person, including a profit
23 or nonprofit corporation organized under the laws of any state or country, that:

24 (1) Operates or proposes to operate in this State;

25 (2) Except as provided in § 19-703(b) and (f) of this subtitle, provides or
26 otherwise makes available to its members health care services that include at least
27 physician, hospitalization, laboratory, X-ray, emergency, and preventive services,
28 out-of-area coverage, and any other health care services that the Commissioner
29 determines to be available generally on an insured or prepaid basis in the area
30 serviced by the health maintenance organization, and, at the option of the health
31 maintenance organization, may provide additional coverage;

32 (3) Except for any copayment or deductible arrangement, is compensated
33 only on a predetermined periodic rate basis for providing to members the minimum
34 services that are specified in item (2) of this subsection;

35 (4) Assures its subscribers and members, the Commissioner, and the
36 Department that one clearly specified legal and administrative focal point or element

1 of the health maintenance organization has the responsibility of providing the
 2 availability, accessibility, quality, and effective use of comprehensive health care
 3 services; and

4 (5) Primarily provides services of physicians OR ~~PRIMARY CARE~~
 5 ~~PROVIDERS~~ NURSE PRACTITIONERS:

6 (i) Directly through physicians OR ~~PRIMARY CARE PROVIDERS~~
 7 NURSE PRACTITIONERS who are either employees or partners of the health
 8 maintenance organization; or

9 (ii) Under arrangements with one or more groups of physicians OR
 10 ~~PRIMARY CARE PROVIDERS~~ NURSE PRACTITIONERS, who are organized on a group
 11 practice or individual practice basis, under which each group:

12 1. Is compensated for its services primarily on the basis of an
 13 aggregate fixed sum or on a per capita basis; and

14 2. Is provided with an effective incentive to avoid
 15 unnecessary inpatient use, whether the individual physician OR ~~PRIMARY CARE~~
 16 ~~PROVIDER~~ NURSE PRACTITIONER members of the group are paid on a fee-for-service
 17 or other basis.

18 (h) ~~(1)~~ "~~PRIMARY CARE PROVIDER~~" ~~MEANS A PROVIDER WHO PROVIDES~~
 19 ~~ACCESSIBLE AND COORDINATED CARE THAT ADDRESSES A PATIENT'S HEALTH~~
 20 ~~NEEDS, INCLUDING BUT NOT LIMITED TO MAINTAINING THE CONTINUITY OF~~
 21 ~~PATIENT CARE, MAINTAINING AN ENROLLEE'S HEALTH RECORD, AND INITIATING~~
 22 ~~REFERRALS FOR MEDICALLY NECESSARY AND APPROPRIATE SPECIALTY CARE.~~

23 ~~(2)~~ "~~PRIMARY CARE PROVIDER~~" ~~INCLUDES A GENERAL PRACTITIONER,~~
 24 ~~FAMILY PRACTITIONER, INTERNIST, PEDIATRICIAN, OBSTETRICIAN/GYNECOLOGIST,~~
 25 ~~AND NURSE PRACTITIONER.~~

26 ~~(i)~~ "Provider" means any person, including a physician or hospital, who is
 27 licensed or otherwise authorized in this State to provide health care services.

28 ~~{(i)}~~ ~~(i)~~ "Subscriber" means a person who makes a contract with a health
 29 maintenance organization, either directly or through an insurer or marketing
 30 organization, under which the person or other designated persons are entitled to the
 31 health care services.

32 19-705.1.

33 (b) The standards of quality of care shall include:

34 (1) (i) A requirement that a health maintenance organization shall
 35 provide for regular hours during which a member may receive services, including
 36 providing for services to a member in a timely manner that takes into account the
 37 immediacy of need for services; and

1 (ii) Provisions for assuring that all covered services, including any
2 services for which the health maintenance organization has contracted, are accessible
3 to the enrollee with reasonable safeguards with respect to geographic locations;

4 (2) A requirement that a health maintenance organization shall have a
5 system for providing a member with 24-hour access to a physician in cases where
6 there is an immediate need for medical services, and for promoting timely access to
7 and continuity of health care services for members, including:

8 (i) Providing 24-hour access by telephone to a person who is able
9 to appropriately respond to calls from members and providers concerning after-hours
10 care; and

11 (ii) Providing a 24-hour toll free telephone access system for use in
12 hospital emergency departments in accordance with § 19-705.7 of this subtitle;

13 (3) A requirement that any nonparticipating provider shall submit to the
14 health maintenance organization the appropriate documentation of the medical
15 complaint of the member and the services rendered;

16 (4) A requirement that a health maintenance organization shall have a
17 physician OR ~~PRIMARY CARE PROVIDER~~ NURSE PRACTITIONER available at all times
18 to provide diagnostic and treatment services;

19 (5) A requirement that a health maintenance organization shall assure
20 that:

21 (i) Each member who is seen for a medical complaint is evaluated
22 under the direction of a physician OR ~~PRIMARY CARE PROVIDER~~ NURSE
23 PRACTITIONER; and

24 (ii) Each member who receives diagnostic evaluation or treatment
25 is under the direct medical management of a health maintenance organization
26 physician who provides continuing medical management;

27 (6) A requirement that each member shall have an opportunity to select
28 a primary physician OR ~~PRIMARY CARE PROVIDER~~ NURSE PRACTITIONER from
29 among those available to the health maintenance organization; [and]

30 (7) A REQUIREMENT THAT A HEALTH MAINTENANCE ORGANIZATION
31 SHALL DESIGNATE WHICH PHYSICIANS OR ~~PROVIDERS~~ NURSE PRACTITIONERS
32 AMONG THOSE AVAILABLE TO THE HEALTH MAINTENANCE ORGANIZATION MAY BE
33 CLASSIFIED AS PRIMARY CARE PROVIDERS; AND

34 (8) A requirement that a health maintenance organization print, in any
35 directory of participating providers or hospitals, in a conspicuous manner, the
36 address, telephone number, and facsimile number of the State agency that members,
37 enrollees, and insureds may call to discuss quality of care issues, life and health
38 insurance complaints, and assistance in resolving billing and payment disputes with
39 the health plan or health care provider, as follows:

1 (i) For quality of care issues and life and health care insurance
2 complaints, the Maryland Insurance Administration; and

3 (ii) For assistance in resolving a billing or payment dispute with
4 the health plan or a health care provider, the Health Education and Advocacy Unit of
5 the Consumer Protection Division of the Office of the Attorney General.

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