

**Department of Legislative Services**  
Maryland General Assembly  
1999 Session

**FISCAL NOTE**  
**Revised**

House Bill 931 (Delegate Barve. *et al.*)

Economic Matters

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**Health Insurance - Managed Behavioral Health Care Organizations - Quality Measures, Explanations, and Expense Ratios**

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This bill requires an insurer, nonprofit health services plan, HMO, preferred provider organization, and third party administrator (carrier) to file a report on the mental health expense ratio of behavioral health care services on or before March 1 of each year to the Maryland Insurance Administration (MIA). A carrier must also distribute to its members at the time of enrollment an explanation of: (1) the specific behavioral health care services covered and excluded; (2) the member's responsibilities for obtaining behavioral health care services; (3) the reimbursement methodology that the carrier and managed behavioral health care organization use to reimburse providers; and (4) the procedure that a member must use when attempting to obtain behavioral health care services outside the network of providers used by the carrier.

MIA must develop the health expense ratio form to be used by providers, and promulgate regulations necessary to carry out the bill's requirements.

The bill also creates a ten-member task force to develop quality measures for behavioral health care services to enrollees of managed behavioral health care organizations. The task force must report its findings to the General Assembly by December 15, 1999.

The task force provisions of this bill are effective June 1, 1999. The provisions requiring carriers to distribute certain consumer information are effective October 1, 1999. The provisions requiring carriers to file their mental health expense ratio with MIA are effective October 1, 2000.

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**Fiscal Summary**

**State Effect:** None. The bill's requirements could be handled with existing resources. No effect on revenues.

**Local Effect:** None.

**Small Business Effect:** None.

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**Information Source(s):** Maryland Insurance Administration, Department of Budget and Management (Employee Benefits Division), Department of Legislative Services

**Fiscal Note History:** First Reader - March 1, 1999

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Revised - House Third Reader - March 26, 1999

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