

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 601 (Senators Van Hollen and Teitelbaum)

Finance

Private Review Agents - Reimbursement to Health Care Providers

This bill requires a private review agent responsible for the payment of covered services to a provider to reimburse the provider within 30 days after receipt of a claim, and pay interest on outstanding reimbursements. The reimbursement provisions do not apply to claims where there is a good faith dispute regarding the legitimacy of the claim or the appropriate amount of reimbursement, and the private review agent notifies the provider in writing of the reasons for the dispute.

Fiscal Summary

State Effect: None. The bill's requirements could be absorbed within existing Maryland Insurance Administration (MIA) resources.

Local Effect: None.

Small Business Effect: Potential minimal.

Fiscal Analysis

State Effect: The Maryland Insurance Administration (MIA) may receive additional complaints from providers who are not paid in accordance with the bill's requirements. MIA could handle additional complaints with existing resources.

Small Business Effect: Some private review agents may be small businesses. As a result of this bill, administrative costs for private review agents may increase.

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

Fiscal Note History:

First Reader - February 15, 1999

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