

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 1054 (Delegate Donoghue)

Environmental Matters

Utilization Review - Qualifications of Physicians Making Adverse Decisions

This bill requires a private review agent conducting utilization review for a health insurance carrier to allow only a physician who is board certified or eligible in the same specialty as the treatment under review to render an adverse decision.

Fiscal Summary

State Effect: None. Any additional carrier filings could be handled with existing Maryland Insurance Administration (MIA) finances.

Local Effect: None. Carriers' administrative costs associated with the bill's requirements would be minimal and are not expected to be passed on as increased health insurance premiums.

Small Business Effect: None. Carriers' administrative costs associated with the bill's requirements would be minimal and are not expected to be passed on as increased health insurance premiums.

Fiscal Analysis

State Effect: Health insurance carriers that do not already require private review agents to use a physician who is board certified or eligible in the same specialty as the treatment under review would be required to revise their internal grievance procedures and file the amended grievance procedure with the Maryland Insurance Administration (MIA). Carriers only have to file their grievance procedures with MIA if they have any changes and only have to file once annually. Any additional filings could be handled with existing MIA resources. Carriers' administrative costs associated with the bill's requirements would be minimal and

are not expected to be passed on to the State Employee Health Benefits Plan as increased premiums.

Information Source(s): Maryland Insurance Administration, Department of Health and Mental Hygiene (Board of Physician Quality Assurance, Licensing and Certification), CareFirst Blue Cross Blue Shield, Department of Legislative Services

Fiscal Note History: First Reader - March 16, 1999

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