

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 627 (Delegate Love. *et al.*)

Economic Matters

**Health Maintenance Organizations - Reimbursement for Medical Screening,
Assessment, and Stabilization Services**

This bill repeals the July 1, 1999 sunset provision on the requirement that HMOs pay hospital and emergency providers for the cost of medical screenings performed to meet the requirements of the federal Emergency Medical Treatment and Active Labor Act (EMTALA).

This bill takes effect July 1, 1999.

Fiscal Summary

State Effect: No effect on State Employee Health Benefits Plan expenditures for HMO premiums. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

Background: EMTALA requires hospital emergency facilities to assess and stabilize all patients seeking treatment as a condition of receipt of Medicare reimbursements. It prohibits an emergency facility from (1) contacting an HMO to request authorization for treating an enrollee; or (2) transferring an enrollee to an HMO urgent care facility or physician's office for treatment without first performing a medical screening and assessment and stabilizing the patient's condition.

Chapter 503 of 1996 requires HMOs to pay hospital and emergency providers for the cost of medical screenings performed to meet the requirements of EMTALA. The Act further

directed the Department of Health and Mental Hygiene (DHMH) and the Health Care Access and Cost Commission (HCACC) to develop a bundled payment (flat fee) for medical screenings and provided that the HMOs' requirement to pay for medical screenings would sunset if a bundled payment system was not developed by March 31, 1997. Chapter 107 of 1997 repealed the requirement that DHMH and HCACC develop a bundled payment system, and extended the sunset provision from March 31, 1997 to July 1, 1999 relating to the requirement that HMOs pay for medical screenings.

Information Source(s): Department of Health and Mental Hygiene (Medicaid); Department of Budget and Management (Employee Benefits Division); Maryland Insurance Administration; Health Care Access and Cost Commission; Department of Legislative Services

Fiscal Note History: First Reader - February 23, 1999
dmm/jr

Analysis by: Susan John

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510