

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 358 (Senator Exum. *et al.*)

Finance

Benefits for Routine Gynecological Care - Obstetric/Gynecologic Providers

This bill requires insurers, nonprofit health service plans, and HMOs (carriers) to provide direct patient access to obstetric/gynecologic providers in circumstances where carriers currently are required to provide direct access to obstetricians and gynecologists. The bill also requires HMOs to provide direct access to obstetric/gynecologic providers without requiring the patient to first visit a primary care provider if the care is medically necessary and the obstetric/gynecologic provider communicates with the patient's primary care provider concerning any diagnosis or treatment rendered.

This bill applies to all policies issued in the State on or after October 1, 1999.

Fiscal Summary

State Effect: Special fund revenues would increase by an indeterminate minimal amount in FY 2000. No effect on expenditures.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

State Revenues: Special fund revenues could increase by an indeterminate minimal amount in fiscal 2000 because the bill's requirements could subject carriers to rate and form filings. Each carrier that revises its rates and amends its insurance policy must submit the proposed changes to the Maryland Insurance Administration (MIA) and pay a \$125 rate and form filing fee. The number of carriers who will file new rates and forms as a result of the bill's

requirements cannot be reliably estimated at this time because carriers often combine several rate and policy amendments at one time when filing with MIA.

State Expenditures: No effect on expenditures for the State Employee Health Benefits Plan. The bill allows providers in addition to obstetricians or gynecologists to provide obstetric/gynecologic services, which generally means that nurse practitioners may treat patients. The cost of an office visit with a nurse practitioner is generally lower than an office visit with a physician. However, a nurse practitioner may not be able to treat all patients and may subsequently have to refer the patient to a physician. Because there are both cost savings and cost increases associated with visits to an obstetric/gynecologic provider, health care premiums charged to the State are not expected to increase as a result of this bill.

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

Fiscal Note History: First Reader - February 15, 1999

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