Unofficial Copy **2000 Regular Session**
SB0800/637478/1

BY: Finance Committee

AMENDMENT TO SENATE BILL NO. 800
(First Reading File Bill)

On page 1, in line 2, strike "- Clean Claims"; in line 11, strike "relating to uniform claims forms" and substitute "; establishing certain penalties"; in line 13, after "claims" insert ", and otherwise respond on receipt of a claim,"; in line 14, after "periods" insert "under certain circumstances; requiring insurers, nonprofit health service plans, and health maintenance organizations to provide certain providers with a manual or other document containing certain information; specifying certain requirements and limitations of certain delegation agreements between insurers, nonprofit health service plans, and health maintenance organizations and certain entities"; in line 15, strike "adopted" and substitute "published for proposal"; in line 24, after "Section" insert "15-1003,"; and in the same line, after "15-1004" insert a comma.

On page 2, after line 27, insert:

"15-1003.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) "Health care practitioner" means a person that is licensed or certified under the Health Occupations Article and reimbursed by a third party payor.

(ii) "Health care practitioner" does not include a physician or other person licensed or certified under this article when the physician or other person is rendering care to a member or subscriber of a health maintenance organization and is compensated by the health maintenance organization for that care on a salaried or capitated basis.

(3) "Hospital" has the meaning stated in § 19-301 of the Health - General Article.

(b) The Commissioner shall adopt by regulation as the uniform claims form for

(Over)

reimbursement of hospital services in the State the uniform claims form adopted by the National Uniform Billing Committee and approved by the Health Care Financing Administration for Hospital Payments under Title XVIII of the Social Security Act.

(c) The Commissioner shall adopt by regulation a uniform claims form for reimbursement of health care practitioners' services.

(D) (1) THE COMMISSIONER SHALL ADOPT BY REGULATION:

(I) A DEFINITION OF A CLEAN CLAIM, INCLUDING:

1. THE ESSENTIAL DATA ELEMENTS THAT MUST BE COMPLETED ON THE UNIFORM CLAIMS FORM; AND

2. UNIFORM STANDARDS FOR ATTACHMENTS TO THE UNIFORM CLAIMS FORM;

(II) PERMISSIBLE CATEGORIES OF DISPUTED CLAIMS FOR WHICH ADDITIONAL INFORMATION MAY BE REQUESTED UNDER §§ 15-1004(C) AND 15-1005(C) OF THIS SUBTITLE; AND

(III) STANDARDS FOR DETERMINING WHEN A CLAIM IS CONSIDERED RECEIVED FOR REIMBURSEMENT.

(2) IN ADOPTING THE REGULATIONS REQUIRED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION, THE COMMISSIONER SHALL CONSIDER:

(I) STANDARDS FOR ATTACHMENTS REQUIRED BY THE FEDERAL HEALTH CARE FINANCING ADMINISTRATION FOR THE MEDICARE PROGRAM;

(II) STANDARDS USED BY INSURANCE CARRIERS, NONPROFIT HEALTH SERVICE PLANS, AND HEALTH MAINTENANCE ORGANIZATIONS IN THE STATE; AND

(III) FEDERAL REGULATIONS ADOPTED UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT.";

strike in their entirety lines 29 through 31, inclusive; in line 32, strike the brackets; and in the same line, strike "(B)".

On page 3, in line 2, after "form" insert "AND ANY ATTACHMENTS APPROVED OR"; in line 8, strike the brackets; in the same line, strike "(C)"; in line 9, strike "IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION"; in lines 16 and 19, in each instance, strike the bracket; in line 16, strike "If" and substitute "IN ACCORDANCE WITH §§ 15-1003(D)(1)(II) AND 15-1005(C) OF THIS SUBTITLE, IF"; in line 17, strike "or" and substitute a comma; in the same line, after "plan" insert ", OR HEALTH MAINTENANCE ORGANIZATION"; strike beginning with "THE" in line 20 down through "THAT" in line 32; and in line 34, strike "AFFECTED PROVIDERS" and substitute "CONTRACTING PROVIDERS AND ANY OTHER PROVIDER ON REQUEST,".

On page 4, in lines 1, 3, 5, and 9, strike "1.", "2.", "3.", and "4.", respectively, and substitute "(I)", "(II)", "(III)", and "(IV)", respectively; in line 10, after "OF" insert "APPLICABLE"; strike beginning with the comma in line 10 down through "AND" in line 11 and substitute a period; in line 12, strike "(V)" and substitute "(2)"; in the same line, strike "THAT"; in lines 15 and 17, strike "1." and "2.", respectively, and substitute "(I)" and "(II)", respectively; and strike in their entirety lines 20 through 30, inclusive.

On page 5, in line 3, strike "§ 15-1005(d)" and substitute "§15-1005(F)"; in line 11, after "REIMBURSEMENT" insert a comma; in line 12, strike "§ 15-1004" and substitute "§15-1003"; in line 18, strike the brackets; in the same line, strike "AFTER"; in the same line, strike "CLEAN"; in line 23, strike "WITHIN 30 DAYS,"; in line 24, strike "WITHIN 15 DAYS,"; in line 28, strike "or"; in line 29, after "that" insert ", IN ACCORDANCE WITH §15-1003(D)(1)(II) OF THIS SUBTITLE, THE LEGITIMACY OF THE CLAIM OR THE APPROPRIATE AMOUNT OF REIMBURSEMENT IS IN DISPUTE AND"; in lines 29 and 30, in each instance, strike the bracket; strike beginning with "FOR" in line 30 down through "CLAIM" in line 31; in line 31, after "necessary" insert "; OR

(III) THAT THE CLAIM IS NOT CLEAN AND THE SPECIFIC ADDITIONAL INFORMATION NECESSARY FOR THE CLAIM TO BE CONSIDERED A CLEAN CLAIM";

and strike in their entirety lines 35 through 38, inclusive.

On page 6, strike in their entirety lines 1 through 6, inclusive, and substitute:

"(E) (1) IF AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION PROVIDES NOTICE UNDER SUBSECTION (C)(2)(I) OF THIS SECTION, THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION SHALL PAY ANY UNDISPUTED PORTION OF THE CLAIM WITHIN 30 DAYS OF RECEIPT OF THE CLAIM, IN ACCORDANCE WITH THIS SECTION.

(2) IF AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION PROVIDES NOTICE UNDER SUBSECTION (C)(2)(II) OF THIS SECTION, THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION SHALL:

(I) PAY ANY UNDISPUTED PORTION OF THE CLAIM IN ACCORDANCE WITH THIS SECTION; AND

(II) COMPLY WITH SUBSECTION (C)(1) OR (2)(I) OF THIS SECTION WITHIN 30 DAYS AFTER RECEIPT OF THE REQUESTED ADDITIONAL INFORMATION.

(3) IF AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION PROVIDES NOTICE UNDER SUBSECTION (C)(2)(III) OF THIS SECTION, THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION SHALL COMPLY WITH SUBSECTION (C)(1) OR (2)(I) OF THIS SECTION WITHIN 30 DAYS AFTER RECEIPT OF THE REQUESTED ADDITIONAL INFORMATION.";

in line 10, strike "filed" and substitute "RECEIVED"; after line 17, insert:

"(G) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION THAT VIOLATES A PROVISION OF THIS SECTION IS SUBJECT TO:

(1) A FINE NOT EXCEEDING $500 FOR EACH VIOLATION THAT IS ARBITRARY AND CAPRICIOUS, BASED ON ALL AVAILABLE INFORMATION; AND

(2) THE PENALTIES PRESCRIBED UNDER § 4-113(D) OF THIS ARTICLE FOR VIOLATIONS COMMITTED WITH A FREQUENCY THAT INDICATES A GENERAL BUSINESS PRACTICE.";

in line 19, strike "adopted" and substitute "published for proposal"; in the same line, strike "October 1, 2000" and substitute "January 1, 2001"; in line 22, after "regulations." insert "The regulations required under Section 1 of this Act shall include standards for clean claims for services rendered in a hospital emergency facility.".