

HOUSE BILL 559

Unofficial Copy  
C3  
SB 326/98 - FIN

2000 Regular Session  
0lr1634  
CF 0lr1108

---

By: **Delegates Barve, Stern, Mandel, Sher, Goldwater, Barkley, Kopp,  
Kagan, Carlson, Grosfeld, Petzold, Bronrott, Hixson, Heller, Dembrow,  
and Cryor**

Introduced and read first time: February 7, 2000  
Assigned to: Economic Matters

---

Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 22, 2000

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance - Requirements for Providers to Serve on Provider Panels**

3 FOR the purpose of prohibiting a carrier that offers coverage for health care services  
4 through health benefit plans or contracts with providers to offer health care  
5 services through provider panels from requiring a provider, as a condition of  
6 participation or continuation on a provider panel, to serve on another provider  
7 panel under certain circumstances; requiring a certain provider to give notice to  
8 a certain carrier of the provider's intention to terminate participation on a  
9 provider panel; requiring a certain provider to continue to provide health care  
10 services to certain individuals for a certain period of time; authorizing a certain  
11 carrier to require a provider to serve on a provider panel of a managed care  
12 organization under certain circumstances; defining certain terms; and generally  
13 relating to requirements for providers to serve on provider panels.

14 BY repealing and reenacting, without amendments,  
15 Article - Insurance  
16 Section 15-112(a)  
17 Annotated Code of Maryland  
18 (1997 Volume and 1999 Supplement)

19 BY adding to  
20 Article - Insurance  
21 Section 15-112(l)  
22 Annotated Code of Maryland  
23 (1997 Volume and 1999 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Insurance**

4 15-112.

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

6 (2) (i) "Carrier" means:

- 7 1. an insurer;
- 8 2. a nonprofit health service plan;
- 9 3. a health maintenance organization;
- 10 4. a dental plan organization; or
- 11 5. any other person that provides health benefit plans  
12 subject to regulation by the State.

13 (ii) "Carrier" includes an entity that arranges a provider panel for a  
14 carrier.

15 (3) "Enrollee" means a person entitled to health care benefits from a  
16 carrier.

17 (4) "Provider" means a health care practitioner or group of health care  
18 practitioners licensed, certified, or otherwise authorized by law to provide health care  
19 services.

20 (5) (i) "Provider panel" means the providers that contract with a  
21 carrier to provide health care services to the carrier's enrollees under the carrier's  
22 health benefit plan.

23 (ii) "Provider panel" does not include an arrangement in which any  
24 provider may participate solely by contracting with the carrier to provide health care  
25 services at a discounted fee-for-service rate.

26 (L) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE  
27 MEANINGS INDICATED.

28 (II) "HEALTH BENEFIT PLAN" HAS THE MEANING STATED IN §  
29 15-1201 OF THIS TITLE.

30 (III) "PROVIDER PANEL" INCLUDES AN ARRANGEMENT IN WHICH  
31 ANY PROVIDER MAY PARTICIPATE SOLELY BY CONTRACTING WITH THE CARRIER TO  
32 PROVIDE HEALTH CARE SERVICES AT A DISCOUNTED FEE-FOR-SERVICE RATE.

1           (2)     EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A  
2 CARRIER THAT OFFERS COVERAGE FOR HEALTH CARE SERVICES THROUGH ONE OR  
3 MORE HEALTH BENEFIT PLANS OR CONTRACTS WITH PROVIDERS TO OFFER HEALTH  
4 CARE SERVICES THROUGH ONE OR MORE PROVIDER PANELS MAY NOT REQUIRE A  
5 PROVIDER, AS A CONDITION OF PARTICIPATION OR CONTINUATION ON A PROVIDER  
6 PANEL FOR ONE HEALTH BENEFIT PLAN OF A CARRIER, TO SERVE ALSO ON A  
7 PROVIDER PANEL OF ANOTHER HEALTH BENEFIT PLAN OF THE CARRIER.

8           (3)     SUBJECT TO § 15-102.5 OF THE HEALTH - GENERAL ARTICLE, A  
9 CARRIER THAT OFFERS HEALTH CARE SERVICES AS A MANAGED CARE  
10 ORGANIZATION AS DEFINED UNDER § 15-101(F) OF THE HEALTH - GENERAL ARTICLE,  
11 MAY REQUIRE A PROVIDER, AS A CONDITION OF PARTICIPATION ON A PROVIDER  
12 PANEL FOR ONE OR MORE HEALTH BENEFIT PLANS OF THE CARRIER, TO SERVE ON A  
13 PROVIDER PANEL OF THE MANAGED CARE ORGANIZATION.

14           (4)     IF A PROVIDER ELECTS TO TERMINATE PARTICIPATION ON THE  
15 PROVIDER PANEL OF A HEALTH BENEFIT PLAN, THE PROVIDER SHALL:

16                   (I)     NOTIFY THE CARRIER AT LEAST 90 DAYS BEFORE THE DATE OF  
17 TERMINATION; AND

18                   (II)    FOR AT LEAST 90 DAYS AFTER THE DATE OF THE NOTICE OF  
19 TERMINATION, CONTINUE TO FURNISH HEALTH CARE SERVICES TO AN ENROLLEE  
20 OF THE CARRIER FOR WHOM THE PROVIDER WAS RESPONSIBLE FOR THE DELIVERY  
21 OF HEALTH CARE SERVICES PRIOR TO THE NOTICE OF TERMINATION.

22     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2000.