

Department of Legislative Services  
Maryland General Assembly  
2000 Session

FISCAL NOTE

House Bill 672 (Delegate Goldwater. *et al.*)

Economic Matters

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**Health Insurance - Retroactive Denial of Reimbursement to Health Care Providers  
by Carriers - Codes and Coding Guidelines**

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This bill repeals a carrier's ability, for purposes of reimbursement, to require a health care provider to use any code other than an applicable current procedural terminology (CPT) code, as adopted by the American Medical Association or, if for a dental service, the applicable code adopted by the American Dental Association.

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**Fiscal Summary**

**State Effect:** None. The bill's requirements would not directly affect governmental finances or operations.

**Local Effect:** None.

**Small Business Effect:** Potential minimal. Health care providers would no longer be required to submit claims using a carrier's particular coding scheme, and could see some savings resulting from administrative efficiencies.

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**Analysis**

**Current Law:** If a carrier wants to retroactively deny reimbursement to a health care provider, for reasons other than fraud or improper coding, the carrier must do so within six months of paying the claim (or within 18 months for coordination of benefits). A claim may be considered improperly coded if it does not conform to the American Medical Association's or American Dental Association's adopted codes or another applicable code under a carrier's uniform coding scheme.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Budget and Management (Employee Benefits Division), Department of Legislative Services

**Fiscal Note History:** First Reader - February 20, 2000  
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