

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 1413 (Delegate Minnick)

Economic Matters

Medical Directors - Regulation by Independent Board

This bill establishes a seven-member State Board of Medical Directors within the Maryland Insurance Administration (MIA).

Fiscal Summary

State Effect: Medical directors are already subject to regulation. Any expense reimbursements for board members are assumed to be minimal and could be handled with existing budgeted resources. General fund revenues resulting from the penalty provisions are assumed to be minimal.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: A medical director is a physician employed by or under contract with an HMO who is responsible for quality assurance and utilization review. The board must adopt regulations that establish standards for the: (1) certification of medical directors; (2) renewal, suspension, and revocation of certificates; and (3) issuance of temporary certificates. The board must submit an annual report to the Governor and the Insurance Commissioner that describes its activities for the past year.

The bill also establishes certain certification requirements for medical directors and allows the board to collect certification fees. A certificate holder who violates the bill's requirements or an uncertified individual who acts as an HMO medical director is guilty of a

misdemeanor and is subject to a fine not exceeding \$500 and/or six months' imprisonment.

Current Law: The MIA currently regulates HMO medical directors and charges a \$100 certification fee.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Insurance Administration, Department of Health and Mental Hygiene (Office of Health Care Quality, Board of Physician Quality Assurance, Maryland Health Care Commission), Department of Legislative Services

Fiscal Note History: First Reader - March 14, 2000
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