

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Bill 798 (Senator Bromwell)

Finance

Private Review Agents - Market Conduct Examinations

This emergency bill requires the Insurance Commissioner to conduct a market conduct examination of an HMO in the same manner as the Commissioner currently conducts examinations of health insurers. The Insurance Commissioner must examine each HMO every five years. In addition, when the Commissioner considers it advisable to do so, the Commissioner must review the affairs, transactions, accounts, records, and assets of an HMO. The Commissioner must also review the affairs, transactions, accounts, records, and assets of a private review agent when: (1) the private review agent applies for a certificate of registration; (2) the Commissioner considers it advisable to do so; and (3) at least every five years. The private review agent must pay the cost of the examination.

Fiscal Summary

State Effect: None. Additional market conduct examinations performed on HMOs and private review agents could be handled with existing Maryland Insurance Administration budgeted resources.

Local Effect: None.

Small Business Effect: Potential minimal. Private review agents would incur additional expenses for market conduct examinations.

Analysis

Current Law: The Insurance Commissioner must conduct market examinations of all health insurers every five years and also when the Commissioner determines it is advisable to do so.

Additional Information

Prior Introductions: None.

Cross File: HB 1222 (Delegate Busch) - Economic Matters.

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

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