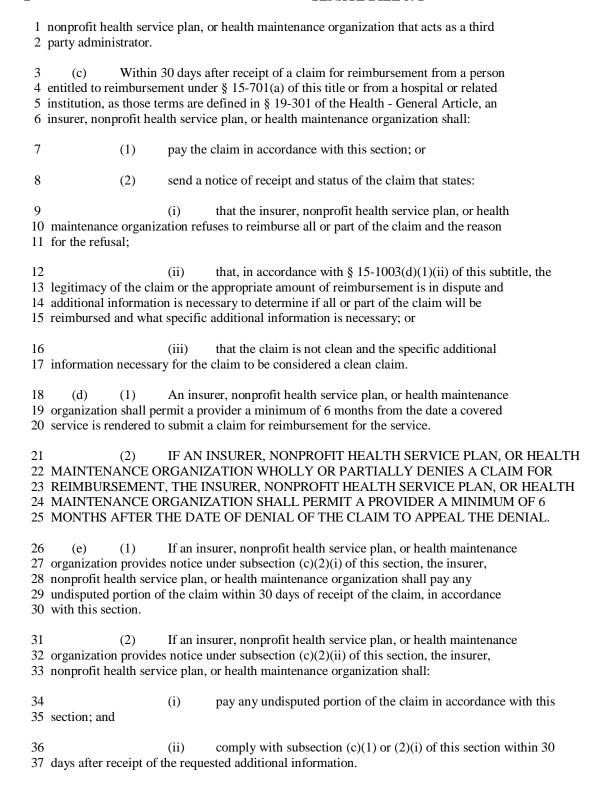
Unofficial Copy C3 2001 Regular Session 1lr2340 CF 1lr2764

By: Senator Teitelbaum				
	oduced and read first time: February 2, 2001 gned to: Finance			
Committee Report: Favorable Senate action: Adopted Read second time: March 14, 2001				
	CHAPTER			
1	AN ACT concerning			
2 3	Health Insurance - Appealing Denials of Claims for Reimbursement of Health Care Services Rendered			
4 5 6 7 8	FOR the purpose of requiring an insurer, nonprofit health service plan, or health maintenance organization to permit a provider to appeal a certain denial of a claim for reimbursement of health care services rendered within a certain period of time; and generally relating to appealing denials of claims for reimbursement of health care services rendered under health insurance.			
9 10 11 12 13	BY repealing and reenacting, with amendments, Article - Insurance Section 15-1005 Annotated Code of Maryland (1997 Volume and 2000 Supplement)			
14 15	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:			
16	Article - Insurance			
17	15-1005.			
18 19	(a) In this section, "clean claim" means a claim for reimbursement, as defined in regulations adopted by the Commissioner under § 15-1003 of this subtitle.			
20 21	(b) To the extent consistent with the Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. 1001, et seq., this section applies to an insurer,			



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3 nonprofit health servi	s notice u ce plan, o 2)(i) of th	surer, nonprofit health service plan, or health maintenance nder subsection (c)(2)(iii) of this section, the insurer, or health maintenance organization shall comply with his section within 30 days after receipt of the requested	
6 (f) (1) If an insurer, nonprofit health service plan, or health maintenance 7 organization fails to comply with subsection (c) of this section, the insurer, nonprofit 8 health service plan, or health maintenance organization shall pay interest on the 9 amount of the claim that remains unpaid 30 days after the claim is received at the 10 monthly rate of:			
11	(i)	1.5% from the 31st day through the 60th day;	
12	(ii)	2% from the 61st day through the 120th day; and	
13	(iii)	2.5% after the 120th day.	
4 (2) The interest paid under this subsection shall be included in any late 5 reimbursement without the necessity for the person that filed the original claim to 6 make an additional claim for that interest.			
17 (g) An insurer, nonprofit health service plan, or health maintenance 18 organization that violates a provision of this section is subject to:			
19 (1) a fine not exceeding \$500 for each violation that is arbitrary and 20 capricious, based on all available information; and			
21 (2) the penalties prescribed under § 4-113(d) of this article for violations 22 committed with a frequency that indicates a general business practice.			
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2001.			