

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

House Bill 473 (Delegate Hammen, *et al.*)

Environmental Matters

Finance

Health Maintenance Organizations - Patient Access to Choice of Provider

This bill requires HMOs to provide patient access for primary care services through nurse practitioners in circumstances where HMOs currently provide access through physicians. In addition, enrollees are allowed to choose nurse practitioners as their primary care providers. An HMO cannot, however, require an enrollee to be seen by a nurse practitioner. The bill's provisions cannot be construed to require an HMO to include nurse practitioners as primary care providers.

Fiscal Summary

State Effect: The profile provisions could be handled with existing Board of Nursing resources. Minimal special fund revenue increase for the Maryland Insurance Administration from the \$125 rate and form filing fee. No effect on the State Employee Health Benefits Plan or Medicaid.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: An HMO must individually credential each nurse practitioner who serves as a primary care provider. The number of nurse practitioners on an HMO's provider panel cannot exceed 50% of the total number of primary care providers on the panel.

The Board of Nursing must create and maintain an individual profile on each nurse practitioner certified by the board. In addition, the board must provide appropriate and accessible Internet links from the board's website to HMO websites, allowing the public to ascertain the names of nurse practitioners affiliated with each HMO. The board must provide copies of nurse practitioner profiles to the public as required.

Current Law: An HMO is required to only provide patient access to physicians. Medicaid allows nurse practitioners to function as primary care providers. Federal law allows Medicare reimbursement to nurse practitioners.

State Expenditures: The State Employee Health Benefits Plan would not be affected by the bill's requirements. The cost of an office visit with a nurse practitioner is generally lower than an office visit with a physician. However, a nurse practitioner may not be able to treat all patients and may subsequently have to refer the patient to a physician, thus increasing costs. Because there are both cost savings and cost increases associated with visits to a nurse practitioner, health care premiums are not expected to increase as a result of this bill. Accordingly, expenditures for the State plan would not be materially affected.

Additional Information

Prior Introductions: A similar bill, HB 367, was introduced in the 2000 session but was not reported by the House Environmental Matters Committee. A similar bill was also introduced as SB 267/HB 321 in the 1999 session. SB 267 passed the Senate, but was not reported from the House Environmental Matters Committee. HB 321 was referred to interim study by the House Environmental Matters Committee. No interim report was issued.

Cross File: None.

Information Source(s): Department of Budget and Management (Employee Benefits Division), Maryland Insurance Administration, Department of Health and Mental Hygiene (Health Care Commission, Board of Nursing, Board of Physician Quality Assurance), Department of Legislative Services

Fiscal Note History: First Reader – February 12, 2001
cm/jr Revised – House Third Reader – March 30, 2001

Analysis by: Susan D. John

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510

