
By: **Senator Astle**
Introduced and read first time: January 31, 2002
Assigned to: Finance

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: February 27, 2002

CHAPTER _____

1 AN ACT concerning

2 **Health Maintenance Organizations - Reimbursement of Noncontracting**
3 **Providers**

4 FOR the purpose of identifying a certain rate that health maintenance organizations
5 pay to certain health care providers; repealing an obsolete reference; repealing
6 the termination date of a certain provision requiring a health maintenance
7 organization to reimburse certain health care providers at a certain rate and to
8 disclose certain information under certain circumstances; repealing the
9 termination date of a certain provision authorizing certain health care providers
10 to enforce a certain law by a certain means; repealing the termination of a
11 provision requiring a health maintenance organization to reimburse certain
12 trauma physicians at a certain rate in a certain manner; and generally relating
13 to health maintenance organizations and health care provider reimbursement.

14 BY repealing and reenacting, with amendments,
15 Article - Health - General
16 Section 19-710.1(b)
17 Annotated Code of Maryland
18 (2000 Replacement Volume and 2001 Supplement)

19 BY repealing and reenacting, with amendments,
20 Chapter 275 of the Acts of the General Assembly of 2000
21 Section 5

22 BY repealing and reenacting, with amendments,
23 Chapter 423 of the Acts of the General Assembly of 2001
24 Section 3

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Health - General**

4 19-710.1.

5 (b) (1) In addition to any other provisions of this subtitle, for a covered
6 service rendered to an enrollee of a health maintenance organization by a health care
7 provider not under written contract with the health maintenance organization, the
8 health maintenance organization or its agent:

9 (i) Shall pay the health care provider within 30 days after the
10 receipt of a claim in accordance with the applicable provisions of this subtitle; and

11 (ii) Shall pay the claim submitted by:

12 1. A hospital at the rate approved by the Health Services
13 Cost Review Commission;

14 2. A trauma physician for trauma care rendered to a trauma
15 patient in a trauma center, at the greater of:

16 A. 140% of the rate paid by the Medicare program, as
17 published by the [Health Care Financing Administration] CENTERS FOR MEDICARE
18 & MEDICAID SERVICES, for the same covered service, to a similarly licensed provider;
19 or

20 B. The rate as of January 1, 2001 that the health
21 maintenance organization paid in the same geographic area, AS PUBLISHED BY THE
22 CENTERS FOR MEDICARE & MEDICAID SERVICES for the same covered service, to a
23 similarly licensed provider; and

24 3. Any other health care provider at the greater of:

25 A. 125% of the rate the health maintenance organization
26 pays in the same geographic area, AS PUBLISHED BY THE CENTERS FOR MEDICARE &
27 MEDICAID SERVICES for the same covered service, to a similarly licensed provider
28 under written contract with the health maintenance organization; or

29 B. The rate as of January 1, 2000 that the health
30 maintenance organization paid in the same geographic area, AS PUBLISHED BY THE
31 CENTERS FOR MEDICARE & MEDICAID SERVICES for the same covered service, to a
32 similarly licensed provider not under written contract with the health maintenance
33 organization.

34 (2) A health maintenance organization shall disclose, on request of a
35 health care provider not under written contract with the health maintenance
36 organization, the reimbursement rate required under paragraph (1)(ii)2 and 3 of this
37 subsection.

