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By: **Senator Van Hollen**

Introduced and read first time: February 11, 2002

Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Reimbursement of Health Care Practitioners**

3 FOR the purpose of prohibiting certain carriers from reducing the sum or rate  
4 negotiated in a carrier's contract with a health care practitioner based on  
5 reimbursement of the health care practitioner by another carrier under certain  
6 circumstances; authorizing a carrier to reduce its reimbursement of a health  
7 care practitioner under certain circumstances; and generally relating to  
8 reimbursement of health care practitioners by carriers.

9 BY repealing and reenacting, without amendments,

10 Article - Insurance

11 Section 15-113(a)

12 Annotated Code of Maryland

13 (1997 Volume and 2001 Supplement)

14 BY repealing and reenacting, with amendments,

15 Article - Insurance

16 Section 15-113(b)

17 Annotated Code of Maryland

18 (1997 Volume and 2001 Supplement)

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

21 **Article - Insurance**

22 15-113.

23 (a) (1) In this section the following words have the meanings indicated.

24 (2) "Carrier" means:

25 (i) an insurer;

26 (ii) a nonprofit health service plan;

- 1 (iii) a health maintenance organization;
- 2 (iv) a dental plan organization; or
- 3 (v) any other person that provides health benefit plans subject to  
4 regulation by the State.

5 (3) "Health care practitioner" means an individual who is licensed,  
6 certified, or otherwise authorized under the Health Occupations Article to provide  
7 health care services.

8 (b) (1) A carrier may not reimburse a health care practitioner in an amount  
9 less than the sum or rate negotiated in the carrier's provider contract with the health  
10 care practitioner.

11 (2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A CARRIER MAY  
12 NOT REDUCE THE SUM OR RATE NEGOTIATED IN THE CARRIER'S PROVIDER  
13 CONTRACT WITH THE HEALTH CARE PRACTITIONER BASED ON REIMBURSEMENT OF  
14 THE HEALTH CARE PRACTITIONER BY ANOTHER CARRIER.

15 (3) IF A CARRIER'S REIMBURSEMENT, WHEN ADDED TO THE TOTAL  
16 REIMBURSEMENT FROM ALL OTHER CARRIERS, EXCEEDS THE HEALTH CARE  
17 PRACTITIONER'S CHARGE, THE CARRIER MAY REDUCE ITS REIMBURSEMENT TO AN  
18 AMOUNT EQUAL TO THE HEALTH CARE PRACTITIONER'S CHARGE, LESS THE TOTAL  
19 REIMBURSEMENT BY ALL OTHER CARRIERS.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 October 1, 2002.