
By: **Delegates Murray, Bromwell, Goldwater, Haynes, Nathan-Pulliam,
Oaks, Rudolph, and V. Turner**

Introduced and read first time: February 7, 2003

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance Carriers and Health Maintenance Organizations - Mental**
3 **Health Providers - Cultural Characteristics**

4 FOR the purpose of requiring the standards of quality of care that a health
5 maintenance organization provides to its members to include, for mental health
6 services, access to a provider with certain cultural characteristics; providing
7 that a covered service of a health maintenance organization shall include a
8 mental health service rendered to an enrollee by a health care provider who is
9 not under written contract to the health maintenance organization and whose
10 cultural characteristics reflect those of the enrollee, under certain
11 circumstances; requiring a carrier that uses a provider panel, for mental health
12 services, to provide an enrollee access to a provider whose cultural
13 characteristics reflect the cultural characteristics of the enrollee; defining a
14 certain term; providing for the effective date of certain provisions of this Act;
15 providing for the termination of certain provisions of this Act; and generally
16 relating to the cultural characteristics of mental health providers used by health
17 insurance carriers and health maintenance organizations.

18 BY repealing and reenacting, with amendments,
19 Article - Health - General
20 Section 19-705.1(b)(6) and (7) and 19-710.1(a)(3)
21 Annotated Code of Maryland
22 (2000 Replacement Volume and 2002 Supplement)

23 BY adding to
24 Article - Health - General
25 Section 19-705.1(b)(7)
26 Annotated Code of Maryland
27 (2000 Replacement Volume and 2002 Supplement)

28 BY repealing and reenacting, without amendments,
29 Article - Health - General
30 Section 19-705.1(a) and 19-710.1 (a)(1) and (2) and (b)(1)

1 Annotated Code of Maryland
2 (2000 Replacement Volume and 2002 Supplement)

3 BY repealing and reenacting, with amendments,
4 Article - Insurance
5 Section 15-112(c)
6 Annotated Code of Maryland
7 (2002 Replacement Volume and 2002 Supplement)

8 BY repealing and reenacting, with amendments,
9 Article - Health - General
10 Section 19-710.1(a)(3)
11 Annotated Code of Maryland
12 (2000 Replacement Volume and 2002 Supplement)
13 (As enacted by Chapter 275 of the Acts of the General Assembly of 2000)

14 BY repealing and reenacting, without amendments,
15 Article - Health - General
16 Section 19-710.1(a)(1) and (2) and (b)(1)
17 Annotated Code of Maryland
18 (2000 Replacement Volume and 2002 Supplement)
19 (As enacted by Chapter 275 of the Acts of the General Assembly of 2000)

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

22 **Article - Health - General**

23 19-705.1.

24 (a) The Secretary shall adopt regulations that set out reasonable standards of
25 quality of care that a health maintenance organization shall provide to its members.

26 (b) The standards of quality of care shall include:

27 (6) A requirement that each member shall have an opportunity to select
28 a primary physician from among those available to the health maintenance
29 organization; [and]

30 (7) A REQUIREMENT THAT, FOR MENTAL HEALTH SERVICES, EACH
31 MEMBER SHALL HAVE ACCESS TO A PROVIDER WHOSE CULTURAL CHARACTERISTICS
32 REFLECT THE CULTURAL CHARACTERISTICS OF THE MEMBER; AND

33 [(7)] (8) A requirement that a health maintenance organization print,
34 in any directory of participating providers or hospitals, in a conspicuous manner, the
35 address, telephone number, and facsimile number of the State agency that members,
36 enrollees, and insureds may call to discuss quality of care issues, life and health

1 insurance complaints, and assistance in resolving billing and payment disputes with
2 the health plan or health care provider, as follows:

3 (i) For quality of care issues and life and health care insurance
4 complaints, the Maryland Insurance Administration; and

5 (ii) For assistance in resolving a billing or payment dispute with
6 the health plan or a health care provider, the Health Education and Advocacy Unit of
7 the Consumer Protection Division of the Office of the Attorney General.

8 **Article - Insurance**

9 15-112.

10 (c) A carrier that uses a provider panel:

11 (1) on request, shall provide an application and information that relates
12 to consideration for participation on the carrier's provider panel to any provider
13 seeking to apply for participation;

14 (2) shall make publicly available its application; [and]

15 (3) shall make efforts to increase the opportunity for a broad range of
16 minority providers to participate on the carrier's provider panel; AND

17 (4) FOR MENTAL HEALTH SERVICES, SHALL PROVIDE TO AN ENROLLEE
18 ACCESS TO A PROVIDER WHOSE CULTURAL CHARACTERISTICS REFLECT THE
19 CULTURAL CHARACTERISTICS OF THE ENROLLEE.

20 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
21 read as follows:

22 **Article - Health - General**

23 19-710.1.

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

25 (2) "Enrollee" means a subscriber or member of the health maintenance
26 organization.

27 (3) (I) "Covered service" means a health care service included in the
28 benefit package of the health maintenance organization and rendered to an enrollee
29 of the health maintenance organization by a health care provider, including a
30 physician or hospital, not under written contract with the health maintenance
31 organization.

32 (II) "COVERED SERVICE" INCLUDES A MENTAL HEALTH SERVICE
33 RENDERED TO A HEALTH MAINTENANCE ORGANIZATION ENROLLEE BY A HEALTH
34 CARE PROVIDER WHO IS NOT UNDER WRITTEN CONTRACT WITH THE HEALTH

1 MAINTENANCE ORGANIZATION AND WHOSE CULTURAL CHARACTERISTICS REFLECT
2 THOSE OF THE ENROLLEE, IF THE HEALTH MAINTENANCE ORGANIZATION HAS NO
3 HEALTH CARE PROVIDER UNDER WRITTEN CONTRACT IN THE ENROLLEE'S SERVICE
4 AREA AND WHOSE CULTURAL CHARACTERISTICS REFLECT THOSE OF THE
5 ENROLLEE.

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

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

12 (ii) Shall pay the claim submitted by:

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

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

17 A. 140% of the rate paid by the Medicare program, as
18 published by the Centers for Medicare and Medicaid Services, for the same covered
19 service, to a similarly licensed provider; 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 and 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 and
27 Medicaid Services, for the same covered service, to a similarly licensed provider under
28 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 and Medicaid Services, for the same covered service, to a
32 similarly licensed provider not under written contract with the health maintenance
33 organization.

34 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
35 read as follows:

Article - Health - General

19-710.1.

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

(2) "Enrollee" means a subscriber or member of the health maintenance organization.

(3) (I) "Covered service" means a health care service included in the benefit package of the health maintenance organization and rendered to an enrollee of the health maintenance organization by a health care provider, including a physician or hospital, not under written contract with the health maintenance organization:

[(i)] 1. Pursuant to a verbal or written referral by the enrollee's health maintenance organization or by a provider under written contract with the enrollee's health maintenance organization; or

[(ii)] 2. That has been preauthorized or otherwise approved either verbally or in writing by the enrollee's health maintenance organization or a provider under written contract with the enrollee's health maintenance organization.

(II) "COVERED SERVICE" INCLUDES A MENTAL HEALTH SERVICE RENDERED TO A HEALTH MAINTENANCE ORGANIZATION ENROLLEE BY A HEALTH CARE PROVIDER WHO IS NOT UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION AND WHOSE CULTURAL CHARACTERISTICS REFLECT THOSE OF THE ENROLLEE, IF THE HEALTH MAINTENANCE ORGANIZATION HAS NO HEALTH CARE PROVIDER UNDER WRITTEN CONTRACT IN THE ENROLLEE'S SERVICE AREA AND WHOSE CULTURAL CHARACTERISTICS REFLECT THOSE OF THE ENROLLEE.

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

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

(ii) Shall pay the claim submitted by:

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

2. Any other health care provider at the rate billed or at the usual, customary, and reasonable rate.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect on the taking effect of the termination provision specified in Section

1 3 of Chapter 423 of the Acts of the General Assembly of 2000, as amended by Section
2 1 of Chapter 250 of the Acts of the General Assembly of 2002. If that termination
3 provision takes effect, Section 2 of this Act shall be abrogated and of no further force
4 and effect. This Act may not be interpreted to have any effect on that termination
5 provision.

6 SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the
7 provisions of Section 4 of this Act, this Act shall take effect October 1, 2003.