

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**

House Bill 700 (Delegate Pendergrass)

Health and Government Operations

Finance

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**Health Insurance - Private Review Agents - Certification**

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This bill modifies certification requirements for private review agents. The bill permits the Insurance Commissioner, when certifying a private review agent (PRA), to consider an applicant as having met a particular certification requirement if: (1) the applicant has obtained utilization management accreditation from an approved accrediting organization as determined by the Commissioner; (2) the approved accrediting organization has requirements that meet or exceed the particular requirement; and (3) the applicant demonstrates that it meets or exceeds the particular requirement. The Commissioner cannot issue a certificate to an applicant with utilization management accreditation by an approved accrediting organization unless the applicant meets all other certification requirements.

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**Fiscal Summary**

**State Effect:** The bill's provisions could reduce the time necessary for the Maryland Insurance Administration to complete the application process. Any change in State activities would not materially affect State finances.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** A PRA cannot conduct utilization review in Maryland unless the Commissioner has granted the PRA a certificate. To obtain certification, an applicant

must submit the policies and procedures the applicant uses to conduct utilization review, as well as a \$1,500 application fee.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Insurance Administration, Department of Legislative Services

**Fiscal Note History:** First Reader - March 6, 2003  
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