

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 166 (Delegate Costa)
Health and Government Operations

Health Insurance - Standing Referrals to Specialists - Treatment Plans

This bill specifies that, for a treatment plan adopted as part of a standing referral to a health care specialist, the treatment plan must provide for an initial referral that allows a patient at least five visits to a specialist without having to obtain an additional referral from the patient's primary care provider. This requirement does not apply to surgical or obstetric services.

Fiscal Summary

State Effect: Any increased access to specialty care is not expected to have any impact on the State Employee and Retiree Welfare Benefits Plan. To the extent that carriers change their policy contracts and file them with the Maryland Insurance Administration (MIA), MIA special fund revenues could increase from the \$125 rate and form filing fee in FY 2005 only.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A health insurer, nonprofit health service plan, dental plan organization, or HMO (carrier) that does not allow direct access to specialists must establish and implement a procedure by which a member may receive a standing referral to a specialist.

A carrier must permit a standing referral if: (1) the member's primary care physician (PCP) determines in consultation with a specialist, that the member needs continuing care from the specialist; (2) the member has a condition that is life threatening, degenerative, chronic, or disabling; and (3) the specialist has expertise in treating the condition and is part of the carrier's provider panel. A standing referral is subject to a written treatment plan that may limit the number of visits to the specialist, limit the period of time in which visits to the specialist are authorized, and require the specialist to communicate regularly with the PCP regarding the treatment and health status of the member.

State Fiscal Effect: While the bill requires a treatment plan that permits at least five visits to a specialist, any increased access to specialty care is not expected to have any impact on the State Employee and Retiree Welfare Benefits Plan (State plan). It is assumed that current law provisions that: (1) require the specialist to be part of the carrier's provider network; (2) permit limiting the period of time in which visits to the specialist are authorized; and (3) require regular communication between the specialist and PCP would minimize over-utilization of specialty care.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene (Maryland Health Care Commission), Maryland Insurance Administration, Department of Budget and Management, Department of Legislative Services

Fiscal Note History: First Reader - February 4, 2004
ncs/jr

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