

Department of Legislative Services  
Maryland General Assembly  
2006 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 868

(Delegate Nathan-Pulliam, *et al.*)

Health and Government Operations

Finance

---

Health Insurance - Participation of Health Care Providers on Provider Panels -  
Workers' Compensation Services

---

This bill prohibits a health insurer, nonprofit health service plan, HMO, or dental plan organization (carrier) that uses a provider panel for health care services from requiring a provider, as a condition of participation or continuation on the carrier's provider panel for health care services, to also serve on a provider panel for workers' compensation services. A carrier may not terminate, limit, or otherwise impair a contract or agreement with a provider, or terminate or limit the employment of a provider, based on the provider's election not to serve on a provider panel for workers' compensation services. A carrier must include in a contract or agreement with a provider a disclosure that informs the provider of the right to elect not to serve on a workers' compensation services panel.

The bill applies to contracts or agreements between carriers and providers that are executed on or after July 1, 2006. It may not be construed to authorize a health care provider to terminate, limit, or otherwise impair any contract or agreement with a carrier that was executed on or before June 30, 2006. The bill takes effect July 1, 2006.

---

**Fiscal Summary**

**State Effect:** Any additional carrier contract filings with the Maryland Insurance Administration could be handled with existing budgeted resources. No effect on revenues.

**Local Effect:** None.

**Small Business Effect:** Minimal.

---

### **Analysis**

**Current Law:** A carrier that offers coverage for health care services through one or more health benefit plans, or contracts with providers to offer health care services through one or more provider panels, may not require a provider, as a condition of participation, to also serve on a provider panel of another of the carrier's health benefit plans. An exception is made for a carrier that also serves as a Medicaid managed care organization (MCO). This type of carrier may require a provider, as a condition of participation on a provider panel, to serve on an MCO provider panel. There are no provisions governing mandatory participation on workers' compensation services panels.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 20, 2006  
ncs/jr Revised - Enrolled Bill - April 24, 2006

---

Analysis by: Susan D. John

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510