

HOUSE BILL 1313

J1, C3

71r3056
CF SB 953

By: ~~Delegate Hubbard (By Request)~~ Delegates Hubbard, Hammen, Benson, Bromwell, Costa, Donoghue, Elliott, Kach, Kipke, Kullen, Mizeur, Montgomery, Morhaim, Nathan-Pulliam, Oaks, Pena-Melnyk, Pendergrass, Riley, Tarrant, V. Turner, and Weldon

Introduced and read first time: February 27, 2007

Assigned to: Rules and Executive Nominations

Re-referred to: Health and Government Operations, March 5, 2007

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 26, 2007

CHAPTER _____

1 AN ACT concerning

2 **Department of Health and Mental Hygiene – Maryland Medical Assistance**
3 **Program – Information from and Liability of Health Insurance Carriers**

4 FOR the purpose of requiring certain health insurance carriers to provide certain
5 information in a certain manner to the Department of Health and Mental
6 Hygiene, at the request of the Department, about individuals who are eligible
7 for benefits under the Maryland Medical Assistance Program or are Program
8 recipients; requiring certain health insurance carriers to accept the Program's
9 right of recovery and the assignment of certain rights under certain
10 circumstances; requiring certain health insurance carriers ~~to respond to certain~~
11 ~~inquiries by the Department under certain circumstances; prohibiting certain~~
12 ~~health insurance carriers from denying certain claims under certain~~
13 ~~circumstances~~ as a condition of doing business in the State, to comply with the
14 requirements set forth in certain provisions of law; prohibiting certain health
15 insurance carriers from denying or otherwise affecting a health insurance policy
16 or contract due to the eligibility of an individual for Program benefits or receipt
17 by an individual of benefits under the Program; defining a certain term; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 generally relating to health insurance and the Maryland Medical Assistance
2 Program.

3 BY adding to
4 Article – Health – General
5 Section 15–144 and 19–706(jjj)
6 Annotated Code of Maryland
7 (2005 Replacement Volume and 2006 Supplement)

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

10 **Article – Health – General**

11 **15–144.**

12 (A) IN THIS SECTION, “CARRIER” MEANS:

- 13 (1) A HEALTH INSURER;
- 14 (2) A NONPROFIT HEALTH SERVICE PLAN;
- 15 (3) A HEALTH MAINTENANCE ORGANIZATION;
- 16 (4) A DENTAL PLAN ORGANIZATION; AND
- 17 (5) ANY OTHER PERSON INCLUDED AS A THIRD PARTY IN §
18 1902(A)(25)(A) OF THE SOCIAL SECURITY ACT, AS AMENDED BY THE FEDERAL
19 DEFICIT REDUCTION ACT OF 2005.

20 (B) (1) A CARRIER SHALL PROVIDE, AT THE REQUEST OF THE
21 DEPARTMENT, INFORMATION ABOUT INDIVIDUALS WHO ARE ELIGIBLE FOR
22 BENEFITS UNDER THE PROGRAM OR ARE PROGRAM RECIPIENTS SO THAT THE
23 DEPARTMENT MAY DETERMINE WHETHER AN INDIVIDUAL, THE SPOUSE OF AN
24 INDIVIDUAL, OR THE DEPENDENT OF AN INDIVIDUAL IS RECEIVING HEALTH
25 CARE COVERAGE FROM A CARRIER AND THE NATURE OF THAT COVERAGE.

26 (2) A CARRIER SHALL PROVIDE THE INFORMATION REQUIRED
27 UNDER THIS SUBSECTION IN A MANNER PRESCRIBED BY THE DEPARTMENT.

1 (C) A CARRIER SHALL ACCEPT THE PROGRAM'S RIGHT OF RECOVERY
2 AND THE ASSIGNMENT TO THE PROGRAM OF ANY RIGHT OF AN INDIVIDUAL OR
3 OTHER ENTITY TO PAYMENT FROM THE CARRIER FOR AN ITEM OR SERVICE FOR
4 WHICH PAYMENT HAS BEEN MADE UNDER THE PROGRAM IF THE CARRIER HAS A
5 LEGAL OBLIGATION TO MAKE PAYMENT FOR THE ITEM OR SERVICE.

6 ~~(D) A CARRIER SHALL RESPOND TO ANY INQUIRY BY THE DEPARTMENT~~
7 ~~REGARDING A CLAIM FOR PAYMENT FOR ANY HEALTH CARE ITEM OR SERVICE~~
8 ~~THAT IS SUBMITTED NOT LATER THAN 3 YEARS AFTER THE DATE OF THE~~
9 ~~PROVISION OF THE HEALTH CARE ITEM OR SERVICE.~~

10 ~~(E) A CARRIER MAY NOT DENY A CLAIM SUBMITTED BY THE PROGRAM~~
11 ~~SOLELY ON THE BASIS OF THE DATE OF SUBMISSION OF THE CLAIM, THE TYPE~~
12 ~~OR FORMAT OF THE CLAIM FORM, OR FAILURE OF THE PROGRAM TO PRESENT~~
13 ~~PROPER DOCUMENTATION AT THE POINT OF SALE THAT IS THE BASIS OF THE~~
14 ~~CLAIM, IF:~~

15 ~~(1) THE CLAIM IS SUBMITTED BY THE PROGRAM WITHIN 3 YEARS~~
16 ~~AFTER THE ITEM OR SERVICE WAS PROVIDED; AND~~

17 ~~(2) THE PROGRAM COMMENCES AN ACTION TO ENFORCE ITS~~
18 ~~RIGHTS WITH RESPECT TO THE CLAIM WITHIN 6 YEARS OF SUBMISSION OF THE~~
19 ~~CLAIM BY THE PROGRAM.~~

20 (D) AS A CONDITION OF DOING BUSINESS IN THE STATE, A CARRIER
21 SHALL COMPLY WITH THE REQUIREMENTS SET FORTH IN § 42 U.S.C.
22 1396A(A)(25)(I)(I) THROUGH (IV).

23 ~~(E)~~ (E) A CARRIER SUBJECT TO THIS SECTION MAY NOT REJECT, DENY,
24 LIMIT, CANCEL, REFUSE TO RENEW, INCREASE THE RATES OF, AFFECT THE
25 TERMS OR CONDITIONS OF, OR OTHERWISE AFFECT A HEALTH INSURANCE
26 POLICY OR CONTRACT FOR A REASON BASED WHOLLY OR PARTLY ON:

27 (1) THE ELIGIBILITY OF THE INDIVIDUAL FOR RECEIVING
28 BENEFITS UNDER THE PROGRAM; OR

29 (2) THE RECEIPT BY AN INDIVIDUAL OF BENEFITS UNDER THE
30 PROGRAM.

31 19-706.

1 **(JJJ) THE PROVISIONS OF § 15-144 OF THIS ARTICLE APPLY TO HEALTH**
2 **MAINTENANCE ORGANIZATIONS.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 June 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.