

SENATE BILL 323

J4

71r1808

By: **Senator Astle**

Introduced and read first time: January 31, 2007

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Maintenance Organizations – Reimbursement Rates of**
3 **Noncontracting Providers**

4 FOR the purpose of altering the rate at which a health maintenance organization
5 must reimburse certain health care providers not under written contract with
6 the health maintenance organization for certain services rendered by the health
7 care providers; repealing certain provisions of law requiring a health
8 maintenance organization to disclose certain reimbursement notes on the
9 request of a certain health care provider; and generally relating to
10 reimbursement rates for health care providers not under written contract with
11 health maintenance organizations.

12 BY repealing and reenacting, with amendments,
13 Article – Health – General
14 Section 19–710.1(b)
15 Annotated Code of Maryland
16 (2005 Replacement Volume and 2006 Supplement)

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

19 **Article – Health – General**

20 19–710.1.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

7 (ii) Shall pay the claim submitted by:

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

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

12 A. 140% of the rate paid by the Medicare program, as
13 published by the Centers for Medicare and Medicaid Services, for the same covered
14 service, to a similarly licensed provider; or

15 B. The rate as of January 1, 2001 that the health
16 maintenance organization paid in the same geographic area, as published by the
17 Centers for Medicare and Medicaid Services, for the same covered service, to a
18 similarly licensed provider; and

19 3. Any other health care provider at the [greater of:

20 A. 125% of the rate the health maintenance organization
21 pays in the same geographic area, as published by the Centers for Medicare and
22 Medicaid Services, for the same covered service, to a similarly licensed provider under
23 written contract with the health maintenance organization; or

24 B. The rate as of January 1, 2000 that the health
25 maintenance organization paid in the same geographic area, as published by the
26 Centers for Medicare and Medicaid Services, for the same covered service, to a
27 similarly licensed provider not under written contract with the health maintenance
28 organization] **RATE REFLECTED IN THE PHYSICIAN PAYMENT DATABASE OF THE**
29 **MARYLAND HEALTH CARE COMMISSION THAT IS THE 50TH PERCENTILE**
30 **CHARGE FOR THE COVERED SERVICE IN THE STATE.**

31 (2) [A health maintenance organization shall disclose, on request of a
32 health care provider not under written contract with the health maintenance

1 organization, the reimbursement rate required under paragraph (1)(ii)2 and 3 of this
2 subsection.

3 (3)] (i) Subject to subparagraph (ii) of this paragraph, a health
4 maintenance organization may require a trauma physician not under contract with
5 the health maintenance organization to submit appropriate adjunct claims
6 documentation and to include on the uniform claim form a provider number assigned
7 to the trauma physician by the health maintenance organization.

8 (ii) If a health maintenance organization requires a trauma
9 physician to include a provider number on the uniform claim form in accordance with
10 subparagraph (i) of this paragraph, the health maintenance organization shall assign
11 a provider number to a trauma physician not under contract with the health
12 maintenance organization at the request of the physician.

13 [(4)] (3) A trauma center, on request from a health maintenance
14 organization, shall verify that a licensed physician is credentialed or otherwise
15 designated by the trauma center to provide trauma care.

16 [(5)] (4) Notwithstanding the provisions of § 19–701(d) of this
17 subtitle, for trauma care rendered to a trauma patient in a trauma center by a trauma
18 physician, a health maintenance organization may not require a referral or
19 preauthorization for a service to be covered.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2007.