

# SENATE BILL 601

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71r2401  
CF HB 947

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By: **Senator Kittleman**

Introduced and read first time: February 2, 2007

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 22, 2007

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance – Health Care Providers – Reimbursement by Carriers and**  
3 **Charges**

4 FOR the purpose of prohibiting certain carriers from requiring ~~certain~~ health care  
5 providers that ~~deliver~~ provide health care services through a certain group  
6 practice or ~~other~~ health care ~~entity~~ facility to be considered participating  
7 providers or to accept the a certain reimbursement fee schedule ~~applicable~~  
8 ~~under the contract between the group practice or other health care entity and~~  
9 ~~the carrier for certain health care services delivered by the health care provider~~  
10 under certain circumstances; requiring a certain provider to give certain notice  
11 to an enrollee; and generally relating to reimbursement of health care providers  
12 by carriers health care provider reimbursement and charges.

13 BY repealing and reenacting, without amendments,  
14 Article – Insurance  
15 Section 15–112(a)(1), (3), (4), and (6)  
16 Annotated Code of Maryland  
17 (2006 Replacement Volume and 2006 Supplement)

18 BY adding to  
19 Article – Insurance

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### 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 Section 15–112(o)  
 2 Annotated Code of Maryland  
 3 (2006 Replacement Volume and 2006 Supplement)

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

6 **Article – Insurance**

7 15–112.

8 (a) (1) In this section the following words have the meanings indicated.

9 (3) (i) “Carrier” means:

- 10 1. an insurer;
- 11 2. a nonprofit health service plan;
- 12 3. a health maintenance organization;
- 13 4. a dental plan organization; or
- 14 5. any other person that provides health benefit plans  
 15 subject to regulation by the State.

16 (ii) “Carrier” includes an entity that arranges a provider panel  
 17 for a carrier.

18 (4) “Enrollee” means a person entitled to health care benefits from a  
 19 carrier.

20 (6) “Provider” means a health care practitioner or group of health care  
 21 practitioners licensed, certified, or otherwise authorized by law to provide health care  
 22 services.

23 ~~(O) A CARRIER MAY NOT REQUIRE A PROVIDER THAT DELIVERS~~  
 24 ~~HEALTH CARE SERVICES THROUGH A GROUP PRACTICE OR OTHER HEALTH~~  
 25 ~~CARE ENTITY TO ACCEPT THE REIMBURSEMENT FEE SCHEDULE APPLICABLE~~  
 26 ~~UNDER THE CONTRACT BETWEEN THE GROUP PRACTICE OR OTHER HEALTH~~  
 27 ~~CARE ENTITY AND THE CARRIER FOR HEALTH CARE SERVICES THE PROVIDER~~  
 28 ~~DELIVERS;~~

1 ~~(1) TO ENROLLEES OF THE CARRIER THROUGH A SEPARATE~~  
2 ~~INDIVIDUAL, GROUP, OR OTHER HEALTH CARE PRACTICE ARRANGEMENT; AND~~

3 ~~(2) USING A DIFFERENT FEDERAL TAX IDENTIFICATION NUMBER~~  
4 ~~THAN THAT USED BY THE GROUP PRACTICE OR OTHER HEALTH CARE ENTITY.~~

5 (O) (1) A CARRIER MAY NOT REQUIRE A PROVIDER THAT PROVIDES  
6 HEALTH CARE SERVICES THROUGH A GROUP PRACTICE OR HEALTH CARE  
7 FACILITY THAT PARTICIPATES ON THE CARRIER'S PROVIDER PANEL UNDER A  
8 CONTRACT WITH THE CARRIER TO BE CONSIDERED A PARTICIPATING PROVIDER  
9 OR ACCEPT THE REIMBURSEMENT FEE SCHEDULE APPLICABLE UNDER THE  
10 CONTRACT WHEN:

11 (I) PROVIDING HEALTH CARE SERVICES TO ENROLLEES OF  
12 THE CARRIER THROUGH AN INDIVIDUAL OR GROUP PRACTICE OR HEALTH CARE  
13 FACILITY THAT DOES NOT HAVE A CONTRACT WITH THE CARRIER; AND

14 (II) BILLING FOR HEALTH CARE SERVICES PROVIDED TO  
15 ENROLLEES OF THE CARRIER USING A DIFFERENT FEDERAL TAX  
16 IDENTIFICATION NUMBER THAN THAT USED BY THE GROUP PRACTICE OR  
17 HEALTH CARE FACILITY UNDER A CONTRACT WITH THE CARRIER.

18 (2) A NONPARTICIPATING PROVIDER SHALL NOTIFY AN  
19 ENROLLEE:

20 (I) THAT THE PROVIDER DOES NOT PARTICIPATE ON THE  
21 PROVIDER PANEL OF THE ENROLLEE'S CARRIER; AND

22 (II) OF THE ANTICIPATED TOTAL CHARGES FOR THE  
23 HEALTH CARE SERVICES.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 October 1, 2007.