

SENATE BILL 953

J1, C3

71r2995
CF HB 1313

By: **Senator Middleton (By Request)**

Introduced and read first time: February 28, 2007

Assigned to: Rules

A BILL ENTITLED

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; prohibiting certain health insurance carriers from denying or
14 otherwise affecting a health insurance policy or contract due to the eligibility of
15 an individual for Program benefits or receipt by an individual of benefits under
16 the Program; defining a certain term; and generally relating to health insurance
17 and the Maryland Medical Assistance Program.

18 BY adding to

19 Article – Health – General
20 Section 15–144 and 19–706(jjj)
21 Annotated Code of Maryland
22 (2005 Replacement Volume and 2006 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(E) A CARRIER MAY NOT DENY A CLAIM SUBMITTED BY THE PROGRAM**
2 **SOLELY ON THE BASIS OF THE DATE OF SUBMISSION OF THE CLAIM, THE TYPE**
3 **OR FORMAT OF THE CLAIM FORM, OR FAILURE OF THE PROGRAM TO PRESENT**
4 **PROPER DOCUMENTATION AT THE POINT OF SALE THAT IS THE BASIS OF THE**
5 **CLAIM, IF:**

6 **(1) THE CLAIM IS SUBMITTED BY THE PROGRAM WITHIN 3 YEARS**
7 **AFTER THE ITEM OR SERVICE WAS PROVIDED; AND**

8 **(2) THE PROGRAM COMMENCES AN ACTION TO ENFORCE ITS**
9 **RIGHTS WITH RESPECT TO THE CLAIM WITHIN 6 YEARS OF SUBMISSION OF THE**
10 **CLAIM BY THE PROGRAM.**

11 **(F) A CARRIER SUBJECT TO THIS SECTION MAY NOT REJECT, DENY,**
12 **LIMIT, CANCEL, REFUSE TO RENEW, INCREASE THE RATES OF, AFFECT THE**
13 **TERMS OR CONDITIONS OF, OR OTHERWISE AFFECT A HEALTH INSURANCE**
14 **POLICY OR CONTRACT FOR A REASON BASED WHOLLY OR PARTLY ON:**

15 **(1) THE ELIGIBILITY OF THE INDIVIDUAL FOR RECEIVING**
16 **BENEFITS UNDER THE PROGRAM; OR**

17 **(2) THE RECEIPT BY AN INDIVIDUAL OF BENEFITS UNDER THE**
18 **PROGRAM.**

19 19-706.

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

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