J1, C3 7lr2995 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

Department of Health and Mental Hygiene - Maryland Medical Assistance
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 for benefits under the Maryland Medical Assistance Program or are Program 7 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 inquiries by the Department under certain circumstances; prohibiting certain 11 12 health insurance carriers from denying certain claims under certain circumstances; prohibiting certain health insurance carriers from denying or 13 otherwise affecting a health insurance policy or contract due to the eligibility of 14 an individual for Program benefits or receipt by an individual of benefits under 15 16 the Program; defining a certain term; and generally relating to health insurance and the Maryland Medical Assistance Program. 17

18 BY adding to

20

19 Article – Health – General

Section 15–144 and 19–706(iii)

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	Article - Health - General
2	15–144.
3	(A) IN THIS SECTION, "CARRIER" MEANS:
4	(1) A HEALTH INSURER;
5	(2) A NONPROFIT HEALTH SERVICE PLAN;
6	(3) A HEALTH MAINTENANCE ORGANIZATION;
7	(4) A DENTAL PLAN ORGANIZATION; AND
8 9 10	(5) ANY OTHER PERSON INCLUDED AS A THIRD PARTY IN § 1902(A)(25)(A) OF THE SOCIAL SECURITY ACT, AS AMENDED BY THE FEDERAL DEFICIT REDUCTION ACT OF 2005.
11 12 13 14 15 16	(B) (1) A CARRIER SHALL PROVIDE, AT THE REQUEST OF THE DEPARTMENT, INFORMATION ABOUT INDIVIDUALS WHO ARE ELIGIBLE FOR BENEFITS UNDER THE PROGRAM OR ARE PROGRAM RECIPIENTS SO THAT THE DEPARTMENT MAY DETERMINE WHETHER AN INDIVIDUAL, THE SPOUSE OF AN INDIVIDUAL, OR THE DEPENDENT OF AN INDIVIDUAL IS RECEIVING HEALTH CARE COVERAGE FROM A CARRIER AND THE NATURE OF THAT COVERAGE.
17 18	(2) A CARRIER SHALL PROVIDE THE INFORMATION REQUIRED UNDER THIS SUBSECTION IN A MANNER PRESCRIBED BY THE DEPARTMENT.
19 20 21 22	(C) A CARRIER SHALL ACCEPT THE PROGRAM'S RIGHT OF RECOVERY AND THE ASSIGNMENT TO THE PROGRAM OF ANY RIGHT OF AN INDIVIDUAL OR OTHER ENTITY TO PAYMENT FROM THE CARRIER FOR AN ITEM OR SERVICE FOR WHICH PAYMENT HAS BEEN MADE UNDER THE PROGRAM.
23 24 25 26	(D) A CARRIER SHALL RESPOND TO ANY INQUIRY BY THE DEPARTMENT REGARDING A CLAIM FOR PAYMENT FOR ANY HEALTH CARE ITEM OR SERVICE THAT IS SUBMITTED NOT LATER THAN 3 YEARS AFTER THE DATE OF THE PROVISION OF THE HEALTH CARE ITEM OR SERVICE.

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