

HOUSE BILL 145

C3

(9lr1759)

ENROLLED BILL

—Health and Government Operations/Finance—

Introduced by **Delegates Kach and Boteler**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance - Dental Provider Panels - Provider Contracts**

3 FOR the purpose of ~~repealing the exception of certain provider contracts for dental~~
4 ~~provider panels from certain provisions of law; requiring a provider contract for~~
5 ~~a dental provider panel to disclose the carriers that comprise each provider~~
6 ~~panel; prohibiting a provider contract for a dental provider panel from~~
7 ~~containing a provision requiring a provider to accept certain schedules of fees~~
8 ~~under certain circumstances; prohibiting a provider contract for a dental~~
9 ~~provider panel from requiring a provider to treat certain enrollees of certain~~
10 ~~carriers under certain circumstances; *prohibiting a provider contract from*~~
11 ~~*containing a provision that requires a provider, as a condition of participating in*~~
12 ~~*a fee-for-service dental provider panel, to participate in a capitated dental*~~
13 ~~*provider panel; requiring the Maryland Insurance Administration to conduct a*~~
14 ~~*certain review and report its findings and certain recommendations to certain*~~
15 ~~*committees of the General Assembly on or before a certain date; defining a*~~

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.

Italics indicate opposite chamber / conference committee amendments.



1 *certain term; altering a certain definition;* providing for the application of *certain*
 2 *provisions of* this Act; providing for the effective ~~date~~ *dates* of this Act; and
 3 generally relating to health insurance provider contracts for dental provider
 4 panels.

5 BY repealing and reenacting, with amendments,
 6 Article – Insurance
 7 Section 15–112.2
 8 Annotated Code of Maryland
 9 (2006 Replacement Volume and 2008 Supplement)
 10 (As enacted by Chapter 688 of the Acts of the General Assembly of 2008)

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

13 **Article – Insurance**

14 15–112.2.

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

16 **(2) “CAPITATED DENTAL PROVIDER PANEL” MEANS A PROVIDER**
 17 **PANEL FOR ONE OR MORE DENTAL PLAN ORGANIZATIONS OFFERING CONTRACTS**
 18 **ONLY FOR DENTAL SERVICES REIMBURSED ON A CAPITATED BASIS FOR CERTAIN**
 19 **SERVICES.**

20 ~~(2)~~ **(3)** “Carrier” means:

- 21 (i) an insurer;
- 22 (ii) a nonprofit health service plan;
- 23 (iii) a health maintenance organization; or
- 24 (iv) a dental plan organization.

25 ~~(3)~~ **(4)** “~~Dental~~ **FEE-FOR-SERVICE DENTAL** provider panel”
 26 means a provider panel for one or more dental plan organizations, insurers, or
 27 nonprofit health service plans offering contracts only for dental services **REIMBURSED**
 28 **ON A FULL OR DISCOUNTED FEE-FOR-SERVICE BASIS.**

29 ~~(4)~~ **(5)** “Enrollee” means a person entitled to health care benefits
 30 from a carrier.

31 ~~(5)~~ **(6)** “HMO provider panel” means a provider panel for one or
 32 more health maintenance organizations.

1 ~~(6)~~ **(7)** “Managed care organization” has the meaning stated in §
2 15–101 of the Health – General Article.

3 ~~(7)~~ **(8)** “Non–HMO provider panel” means a provider panel for one
4 or more nonprofit health service plans or insurers.

5 ~~(8)~~ **(9)** “Provider” has the meaning stated in § 19–701 of the Health
6 – General Article.

7 ~~(9)~~ **(10)** “Provider contract” means a contract:

8 (i) between a provider and a carrier, an affiliate of a carrier, or
9 an entity that contracts with a provider to serve a carrier; and

10 (ii) under which the provider agrees to provide health care
11 services to enrollees.

12 ~~(10)~~ **(11)** “Provider panel” means the providers that contract either
13 directly or through a subcontracting entity with a carrier to provide health care
14 services to enrollees.

15 (b) (1) A provider contract may not contain a provision that requires a
16 provider;

17 **(I)** as a condition of participating in a non–HMO provider
18 panel, to participate in an ~~HMO provider panel or dental provider panel~~ **HMO**
19 **PROVIDER PANEL; OR**

20 **(II) AS A CONDITION OF PARTICIPATING IN A**
21 **FEE-FOR-SERVICE DENTAL PROVIDER PANEL, TO PARTICIPATE IN A CAPITATED**
22 **DENTAL PROVIDER PANEL.**

23 (2) Notwithstanding paragraph (1) of this subsection, a provider
24 contract may contain a provision that requires a provider, as a condition of
25 participating in a non–HMO provider panel, an HMO provider panel, or a dental
26 provider panel, to participate in a managed care organization.

27 (c) ~~¶~~(1) This subsection does not apply to a provider contract for a dental
28 provider panel.

29 (2)~~¶~~ Each provider contract shall disclose the carriers comprising each
30 provider panel.

31 (d) ~~¶~~(1) This subsection does not apply to a provider contract for a dental
32 provider panel.

1 (2) ~~(1)~~ If a provider contract includes more than one schedule of
 2 applicable fees, the provider contract may not contain a provision that requires a
 3 provider as a condition of participation to accept each schedule of applicable fees
 4 included in the provider contract.

5 ~~(3)~~ ~~(2)~~ If a provider rejects a schedule of applicable fees, the
 6 provider contract may not require the provider to treat the enrollees of the carriers
 7 that reimburse the provider in accordance with any of the rejected schedules of
 8 applicable fees.

9 ~~(4)~~ ~~(3)~~ ~~Notwithstanding the provisions of paragraph (1) of this~~
 10 subsection, ~~a~~ ~~A~~ provider contract may include a provision that requires a provider, as
 11 a condition of participation, to accept each schedule of applicable fees for a carrier that
 12 is not affiliated through common ownership with the entity arranging the provider
 13 panel.

14 (e) If a provider elects to terminate participation on a provider panel, the
 15 provider shall:

16 (1) notify the carrier at least 90 days before the date of termination;
 17 and

18 (2) for at least 90 days after the date of the notice of termination,
 19 continue to furnish health care services to an enrollee of the carrier for whom the
 20 provider was responsible for the delivery of health care services before the notice of
 21 termination.

22 SECTION 2. AND BE IT FURTHER ENACTED, That:

23 (a) The Maryland Insurance Administration shall conduct a review of dental
 24 provider contracts, the terms and conditions of the contracts, and the impact that the
 25 contracts have on the dental profession.

26 (b) (1) On or before December 31, 2009, the Administration shall report its
 27 findings, in accordance with § 2-1246 of the State Government Article, to the House
 28 Health and Government Operations Committee and the Senate Finance Committee.

29 (2) In the report required under this subsection, the Administration
 30 shall provide recommendations to the committees concerning whether the provisions of
 31 § 15-112.2(c) and (d) of the Insurance Article should apply to provider contracts for
 32 dental provider panels.

33 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act
 34 shall apply to all provider contracts issued or renewed in the State on or after ~~October~~
 35 ~~1, 2009~~ ~~July 1, 2010~~ October 1, 2009, or, for provider contracts in effect in the State on

1 ~~October 1, 2009 July 1, 2010~~ *October 1, 2009*, but not subject to renewal before ~~October~~
2 ~~1, 2010 July 1, 2011~~ *October 1, 2010*, no later than ~~October 1, 2010 July 1, 2011~~
3 *October 1, 2010*.

4 SECTION ~~3~~ *4*. AND BE IT FURTHER ENACTED, That *Section 1* of this Act
5 shall take effect ~~October 1, 2009 July 1, 2010~~ *October 1, 2009*, ~~the effective date~~
6 ~~contingent on the taking effect~~ *the effective date* of Chapter 688 of the Acts of the
7 General Assembly of 2008 ~~on or before July 1, 2010~~. If the effective date of Chapter
8 688 is amended ~~to be later than July 1, 2010~~, this Act shall take effect on the taking
9 effect of Chapter 688.

10 *SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in*
11 *Section 4 of this Act, this Act shall take effect June 1, 2009.*

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.