

# HOUSE BILL 1150

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By: **Delegate Donoghue**

Introduced and read first time: February 13, 2009

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Occupations – Anatomic Pathology Services – Billing**

3 FOR the purpose of excluding the microscopic examination of certain cells in a certain  
4 test performed under certain circumstances from the definition of  
5 “cytopathology” as it relates to the billing for anatomic pathology services; and  
6 generally relating to anatomic pathology services.

7 BY repealing and reenacting, with amendments,  
8 Article – Health Occupations  
9 Section 1–306  
10 Annotated Code of Maryland  
11 (2005 Replacement Volume and 2008 Supplement)

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

14 **Article – Health Occupations**

15 1–306.

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

17 (2) “Anatomic pathology services” means:

18 (i) Histopathology or surgical pathology;

19 (ii) Cytopathology;

20 (iii) Hematology;

21 (iv) Subcellular pathology and molecular pathology; or

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (v) Blood-banking services performed by pathologists.

2 (3) "Clinical laboratory" means a facility that provides anatomic  
3 pathology services.

4 (4) (i) "Cytopathology" means the microscopic examination of cells  
5 from fluids, aspirates, washings, brushings, or smears.

6 (ii) "Cytopathology" includes the microscopic examination of  
7 cells in a Pap test examination performed by a physician or under the direct  
8 supervision of a physician.

9 (5) "Hematology" means:

10 (i) The microscopic evaluation of bone marrow aspirates and  
11 biopsies performed by a physician or under the direct supervision of a physician; or

12 (ii) Review of a peripheral blood smear if a physician or  
13 technologist requests that a pathologist review a blood smear.

14 (6) "Histopathology or surgical pathology" means gross and  
15 microscopic examination of organ tissue performed by a physician or under the direct  
16 supervision of a physician.

17 (7) (i) "Referring laboratory" means a clinical laboratory that sends  
18 a specimen to another clinical laboratory for histologic processing or anatomic  
19 pathology consultation.

20 (ii) "Referring laboratory" does not include a laboratory of a  
21 physician's office or a group practice that collects a specimen and orders, but does not  
22 perform, anatomic pathology services for patients.

23 (b) Nothing in this section may be construed to:

24 (1) Mandate the assignment of benefits for anatomic pathology  
25 services; or

26 (2) Prohibit a health care practitioner who performs or supervises  
27 anatomic pathology services and is a member of a group practice, as defined under §  
28 1-301 of this subtitle, from reassigning the right to bill for anatomic pathology  
29 services to the group practice if the billing complies with the requirements of  
30 subsection (c) of this section.

31 (c) A clinical laboratory, a physician, or a group practice located in this State  
32 or in another state that provides anatomic pathology services for a patient in this  
33 State shall present, or cause to be presented, a claim, bill, or demand for payment for  
34 the services to:

1           (1) Subject to the limitations of § 19–710(p) of the Health – General  
2 Article, the patient directly unless otherwise prohibited by law;

3           (2) A responsible insurer or other third–party payor;

4           (3) A hospital, public health clinic, or nonprofit health clinic ordering  
5 the services;

6           (4) A referring laboratory; or

7           (5) On behalf of the patient, a governmental agency or its public or  
8 private agent, agency, or organization.

9           **(6) A REFERRING PHYSICIAN WHO ORDERS BUT DOES NOT**  
10 **SUPERVISE OR PERFORM AN ANATOMIC PATHOLOGY SERVICE ON A PAP TEST**  
11 **SPECIMEN, PROVIDED SUCH PHYSICIAN IS IN COMPLIANCE WITH SUBSECTION**  
12 **(E)(2).**

13           (d) Except as provided in subsection (e) of this section, a health care  
14 practitioner licensed under this article may not directly or indirectly charge, bill, or  
15 otherwise solicit payment for anatomic pathology services unless the services are  
16 performed:

17           (1) By the health care practitioner or under the direct supervision of  
18 the health care practitioner; and

19           (2) In accordance with the provisions for the preparation of biological  
20 products by service in the federal Public Health Service Act.

21           (e) This section does not prohibit:

22           **(1) [a] A referring laboratory from billing for anatomic pathology**  
23 **services or histologic processing if the referring laboratory must send a specimen to**  
24 **another clinical laboratory for histologic processing or anatomic pathology**  
25 **consultation; AND**

26           **(2) A HEALTH CARE PRACTITIONER WHO TAKES A PAP TEST**  
27 **SPECIMEN FROM A PATIENT AND WHO ORDERS BUT DOES NOT SUPERVISE OR**  
28 **PERFORM AN ANATOMIC PATHOLOGY SERVICE ON THE SPECIMEN, FROM**  
29 **BILLING A PATIENT OR PAYOR FOR THE SERVICE, PROVIDED THE HEALTH CARE**  
30 **PRACTITIONER COMPLIES WITH:**

31           **(I) THE DISCLOSURE REQUIREMENTS OF HEALTH**  
32 **OCCUPATIONS 14–404(16); AND**

1                                   **(II) THE ETHICS POLICIES OF THE AMERICAN MEDICAL**  
2 **ASSOCIATION THAT RELATE TO REFERRING PHYSICIAN BILLING FOR**  
3 **LABORATORY SERVICES.**

4           (f) A patient, insurer, third-party payor, hospital, public health clinic, or  
5 nonprofit health clinic is not required to reimburse a health care practitioner who  
6 violates the provisions of this section.

7           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2009.