

SENATE BILL 481

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9r2033
CF HB 145

By: **Senator Pipkin**

Introduced and read first time: February 4, 2009

Assigned to: Finance

A BILL ENTITLED

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; providing for the application of this Act;
11 providing for the effective date of this Act; and generally relating to health
12 insurance provider contracts for dental provider panels.

13 BY repealing and reenacting, with amendments,

14 Article – Insurance

15 Section 15–112.2

16 Annotated Code of Maryland

17 (2006 Replacement Volume and 2008 Supplement)

18 (As enacted by Chapter 688 of the Acts of the General Assembly of 2008)

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

21 **Article – Insurance**

22 15–112.2.

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

24 (2) “Carrier” means:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (i) an insurer;
- 2 (ii) a nonprofit health service plan;
- 3 (iii) a health maintenance organization; or
- 4 (iv) a dental plan organization.

5 (3) “Dental provider panel” means a provider panel for one or more
6 dental plan organizations, insurers, or nonprofit health service plans offering
7 contracts only for dental services.

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

10 (5) “HMO provider panel” means a provider panel for one or more
11 health maintenance organizations.

12 (6) “Managed care organization” has the meaning stated in § 15–101
13 of the Health – General Article.

14 (7) “Non–HMO provider panel” means a provider panel for one or
15 more nonprofit health service plans or insurers.

16 (8) “Provider” has the meaning stated in § 19–701 of the Health –
17 General Article.

18 (9) “Provider contract” means a contract:

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

21 (ii) under which the provider agrees to provide health care
22 services to enrollees.

23 (10) “Provider panel” means the providers that contract either directly
24 or through a subcontracting entity with a carrier to provide health care services to
25 enrollees.

26 (b) (1) A provider contract may not contain a provision that requires a
27 provider, as a condition of participating in a non–HMO provider panel, to participate
28 in an HMO provider panel or dental provider panel.

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

1 (c) [(1) This subsection does not apply to a provider contract for a dental
2 provider panel.

3 (2)] Each provider contract shall disclose the carriers comprising each
4 provider panel.

5 (d) [(1) This subsection does not apply to a provider contract for a dental
6 provider panel.

7 (2)] (1) If a provider contract includes more than one schedule of
8 applicable fees, the provider contract may not contain a provision that requires a
9 provider as a condition of participation to accept each schedule of applicable fees
10 included in the provider contract.

11 [(3)] (2) If a provider rejects a schedule of applicable fees, the
12 provider contract may not require the provider to treat the enrollees of the carriers
13 that reimburse the provider in accordance with any of the rejected schedules of
14 applicable fees.

15 [(4)] (3) [Notwithstanding the provisions of paragraph (1) of this
16 subsection, a] A provider contract may include a provision that requires a provider, as
17 a condition of participation, to accept each schedule of applicable fees for a carrier that
18 is not affiliated through common ownership with the entity arranging the provider
19 panel.

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

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

24 (2) for at least 90 days after the date of the notice of termination,
25 continue to furnish health care services to an enrollee of the carrier for whom the
26 provider was responsible for the delivery of health care services before the notice of
27 termination.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
29 provider contracts issued or renewed in the State on or after October 1, 2009, or, for
30 provider contracts in effect in the State on October 1, 2009, but not subject to renewal
31 before October 1, 2010, no later than October 1, 2010.

32 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 2009, the effective date of Chapter 688 of the Acts of the General Assembly
34 of 2008. If the effective date of Chapter 688 is amended, this Act shall take effect on
35 the taking effect of Chapter 688.