CHAPTER 163

(House Bill 1150)

AN ACT concerning

Health Occupations - Anatomic Pathology Services - Billing

FOR the purpose of excluding the microscopic examination of certain cells in a certain test performed under certain circumstances from the definition of "cytopathology" as it relates to the billing for anatomic pathology services requiring certain clinical laboratories, physicians, or group practices to present, or cause to be presented, to a health care practitioner who orders but does not supervise or perform an anatomic pathology service on a Pap test specimen, a claim, bill, or demand for payment for providing certain anatomic pathology services; providing that certain provisions of law do not prohibit a health care practitioner who takes a Pap test specimen and orders but does not supervise or perform certain anatomic pathology services from billing certain patients or payors if the health care practitioner complies with certain disclosure requirements and ethics policies; and generally relating to anatomic pathology services.

BY repealing and reenacting, with amendments,

Article – Health Occupations Section 1–306 Annotated Code of Maryland (2005 Replacement Volume and 2008 Supplement)

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

Article - Health Occupations

1 - 306.

- (a) (1) In this section the following words have the meanings indicated.
 - (2) "Anatomic pathology services" means:
 - (i) Histopathology or surgical pathology;
 - (ii) Cytopathology;
 - (iii) Hematology;

- (iv) Subcellular pathology and molecular pathology; or
- (v) Blood-banking services performed by pathologists.
- (3) "Clinical laboratory" means a facility that provides anatomic pathology services.
- (4) (i) "Cytopathology" means the microscopic examination of cells from fluids, aspirates, washings, brushings, or smears.
- (ii) "Cytopathology" includes the microscopic examination of cells in a Pap test examination performed by a physician or under the direct supervision of a physician.

(5) "Hematology" means:

- (i) The microscopic evaluation of bone marrow aspirates and biopsies performed by a physician or under the direct supervision of a physician; or
- (ii) Review of a peripheral blood smear if a physician or technologist requests that a pathologist review a blood smear.
- (6) "Histopathology or surgical pathology" means gross and microscopic examination of organ tissue performed by a physician or under the direct supervision of a physician.
- (7) (i) "Referring laboratory" means a clinical laboratory that sends a specimen to another clinical laboratory for histologic processing or anatomic pathology consultation.
- (ii) "Referring laboratory" does not include a laboratory of a physician's office or a group practice that collects a specimen and orders, but does not perform, anatomic pathology services for patients.

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

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

- (c) A clinical laboratory, a physician, or a group practice located in this State or in another state that provides anatomic pathology services for a patient in this State shall present, or cause to be presented, a claim, bill, or demand for payment for the services to:
- (1) Subject to the limitations of § 19–710(p) of the Health General Article, the patient directly unless otherwise prohibited by law;
 - (2) A responsible insurer or other third–party payor;
- (3) A hospital, public health clinic, or nonprofit health clinic ordering the services;
 - (4) A referring laboratory; or
- (5) On behalf of the patient, a governmental agency or its public or private agent, agency, or organization= **; OR**
- (6) A REFERRING PHYSICIAN HEATH CARE PRACTITIONER WHO ORDERS BUT DOES NOT SUPERVISE OR PERFORM AN ANATOMIC PATHOLOGY SERVICE ON A PAP TEST SPECIMEN, PROVIDED SUCH PHYSICIAN THE HEALTH CARE PRACTITIONER IS IN COMPLIANCE WITH SUBSECTION (E)(2) OF THIS SECTION.
- (d) Except as provided in subsection (e) of this section, a health care practitioner licensed under this article may not directly or indirectly charge, bill, or otherwise solicit payment for anatomic pathology services unless the services are performed:
- (1) By the health care practitioner or under the direct supervision of the health care practitioner; and
- (2) In accordance with the provisions for the preparation of biological products by service in the federal Public Health Service Act.
 - (e) This section does not prohibit:
- (1) [a] A referring laboratory from billing for anatomic pathology services or histologic processing if the referring laboratory must send a specimen to another clinical laboratory for histologic processing or anatomic pathology consultation; AND
- (2) A HEALTH CARE PRACTITIONER WHO TAKES A PAP TEST SPECIMEN FROM A PATIENT AND WHO ORDERS BUT DOES NOT SUPERVISE OR PERFORM AN ANATOMIC PATHOLOGY SERVICE ON THE SPECIMEN, FROM

BILLING A PATIENT OR PAYOR FOR THE SERVICE, PROVIDED THE HEALTH CARE PRACTITIONER COMPLIES WITH:

- (I) The disclosure requirements of $\frac{\text{HEALTH}}{\text{OCCUPATIONS } 14-404(16)}$ \S 14-404(a)(16) of this article; and
- (II) THE ETHICS POLICIES OF THE AMERICAN MEDICAL ASSOCIATION THAT RELATE TO REFERRING PHYSICIAN BILLING FOR LABORATORY SERVICES.
- (f) A patient, insurer, third-party payor, hospital, public health clinic, or nonprofit health clinic is not required to reimburse a health care practitioner who violates the provisions of this section.

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

Approved by the Governor, April 14, 2009.