CHAPTER 550

(House Bill 145)

AN ACT concerning

Health Insurance – Dental Provider Panels – Provider Contracts

FOR the purpose of ~~repealing the exception of certain provider contracts for dental provider panels from certain provisions of law; requiring a provider contract for a dental provider panel to disclose the carriers that comprise each provider panel; prohibiting a provider contract for a dental provider panel from containing a provision requiring a provider to accept certain schedules of fees under certain circumstances; prohibiting a provider contract for a dental provider panel from requiring a provider to treat certain enrollees of certain carriers under certain circumstances;~~ *prohibiting a provider contract from containing a provision that requires a provider, as a condition of participating in a fee–for–service dental provider panel, to participate in a capitated dental provider panel; requiring the Maryland Insurance Administration to conduct a certain review and report its findings and certain recommendations to certain committees of the General Assembly on or before a certain date; defining a certain term; altering a certain definition;* providing for the application of *certain provisions of* this Act; providing for the effective ~~date~~ *dates* of this Act; and generally relating to health insurance provider contracts for dental provider panels.

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

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

Article – Insurance

15–112.2.

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

(2) "CAPITATED DENTAL PROVIDER PANEL" MEANS A PROVIDER PANEL FOR ONE OR MORE DENTAL PLAN ORGANIZATIONS OFFERING CONTRACTS

ONLY FOR DENTAL SERVICES REIMBURSED ON A CAPITATED BASIS FOR CERTAIN SERVICES.

~~(2)~~ ***(3)*** "Carrier" means:

(i) an insurer;

(ii) a nonprofit health service plan;

(iii) a health maintenance organization; or

(iv) a dental plan organization.

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

~~(4)~~ ***(5)*** "Enrollee" means a person entitled to health care benefits from a carrier.

~~(5)~~ ***(6)*** "HMO provider panel" means a provider panel for one or more health maintenance organizations.

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

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

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

~~(9)~~ ***(10)*** "Provider contract" means a contract:

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

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

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

(b) (1) A provider contract may not contain a provision that requires a provider~~,~~**:**

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

(II) AS A CONDITION OF PARTICIPATING IN A FEE–FOR–SERVICE DENTAL PROVIDER PANEL, TO PARTICIPATE IN A CAPITATED DENTAL PROVIDER PANEL.

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

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

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

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

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

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

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

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That:

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

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

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

SECTION ~~2.~~ *3.* AND BE IT FURTHER ENACTED, That *Section 1 of* this Act shall apply to all provider contracts issued or renewed in the State on or after ~~October 1, 2009~~ ~~July 1, 2010~~ *October 1, 2009*, or, for provider contracts in effect in the State on ~~October 1, 2009~~ ~~July 1, 2010~~ *October 1, 2009*, but not subject to renewal before ~~October 1, 2010~~ ~~July 1, 2011~~ *October 1, 2010*, no later than ~~October 1, 2010~~ ~~July 1, 2011~~ *October 1, 2010*.

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

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

Approved by the Governor, May 19, 2009.