SB0314/956385/1

BY: Health and Government Operations Committee

AMENDMENTS TO SENATE BILL 314
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 7, after "physicians" insert "or hospital-based physicians"; in lines 10, 11, 13, 15, 19, and 20, in each instance, after "physicians" insert "or hospital-based physicians"; and in lines 15 and 16, strike "a certain rate" and substitute "certain rates".

On page 2, in line 18, after the semicolon insert "declaring the intent of the General Assembly that a certain rate paid to a certain nonpreferred provider be no less than the rate paid as of a certain date;"; and in line 27, after the semicolon insert "providing for the termination of this Act;".

AMENDMENT NO. 2

On page 3, after line 25, insert:

"**(H) "HOSPITAL-BASED PHYSICIAN" MEANS:**

(1) A PHYSICIAN LICENSED IN THE STATE WHO IS UNDER CONTRACT TO PROVIDE HEALTH CARE SERVICES TO PATIENTS AT A HOSPITAL; OR

(2) A GROUP PHYSICIAN PRACTICE THAT INCLUDES PHYSICIANS LICENSED IN THE STATE THAT IS UNDER CONTRACT TO PROVIDE HEALTH CARE SERVICES TO PATIENTS AT A HOSPITAL.";

and in lines 26 and 28, strike "**(H)**" and "**(I)**", respectively, and substitute "**(I)**" and "**(J)**", respectively.

(Over)

AMENDMENT NO. 3

On page 4, strike in their entirety lines 6 through 11, inclusive; in line 15, strike "**NONHOSPITAL-BASED**"; in line 17, strike "**AND**"; and in line 20, after "**DEPARTMENT**" insert "**; AND**

(3) IS NOT A HOSPITAL-BASED PHYSICIAN".

AMENDMENT NO. 4

On page 5, in line 11, after "**(1)**" insert "**FOR A PHYSICIAN:**

(I)";

in line 13, strike "**(2)**" and substitute "**(II)**"; and in line 14, after "**SPECIALTY**" insert "**; OR**

(2) FOR A HEALTH CARE PROVIDER WHO IS NOT A PHYSICIAN, A HEALTH CARE PROVIDER WHO HOLDS THE SAME TYPE OF LICENSE OR CERTIFICATION".

AMENDMENT NO. 5

On page 6, in line 5, after "**PHYSICIAN**" insert "**OR A HOSPITAL-BASED PHYSICIAN**"; and in line 10, after "**A**" insert "**SIMILARLY LICENSED PROVIDER WHO IS A**".

AMENDMENT NO. 6

On page 7, in line 22, strike "**THIS**" and substitute "**EXCEPT AS OTHERWISE PROVIDED, THIS**"; in the same line, after "**TO**" insert "**BOTH**"; in the same line, after "**PHYSICIANS**" insert "**AND HOSPITAL-BASED PHYSICIANS**"; in line 23, strike "**AND**"; in line 25, after "**INSURED**" insert "**; AND**

(3) NOTIFY THE INSURER OF AN INSURED IN A MANNER SPECIFIED BY THE COMMISSIONER THAT THE ON-CALL PHYSICIAN OR HOSPITAL-BASED PHYSICIAN HAS OBTAINED AND ACCEPTED THE ASSIGNMENT OF BENEFITS FROM THE INSURED";

in line 27, after "**PHYSICIAN**" insert "**OR A HOSPITAL-BASED PHYSICIAN**"; and in line 29, after "**PHYSICIAN**" insert "**OR HOSPITAL-BASED PHYSICIAN**".

AMENDMENT NO. 7

On page 8, in lines 1, 2, 5, 7, 10, 11, 12, 13, 17, 21, and 24, in each instance, after "**PHYSICIAN**" insert "**OR HOSPITAL-BASED PHYSICIAN**"; in line 15, after "**ANY**" insert "**DEDUCTIBLE,**"; in the same line, after "**COPAYMENT**" insert a comma; in line 27, after "**(C)**" insert:

"**(1) THIS SUBSECTION APPLIES ONLY TO ON-CALL PHYSICIANS SUBJECT TO THIS SECTION.**

(2)";

and in lines 30 and 33, strike "**(1)**" and "**(2)**", respectively, and substitute "**(I)**" and "**(II)**", respectively.

On page 9, in line 1, strike "**(I)**" and substitute "**1.**"; strike in their entirety lines 7 through 11, inclusive, and substitute:

"**2. THE AVERAGE RATE THE INSURER PAID FOR THE 12-MONTH PERIOD THAT ENDED ON JANUARY 1, 2010, IN THE SAME GEOGRAPHIC AREA, AS DEFINED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, FOR THE SAME COVERED SERVICE TO A SIMILARLY LICENSED PROVIDER NOT UNDER WRITTEN CONTRACT WITH THE INSURER,**

INFLATED BY THE CHANGE IN THE MEDICARE ECONOMIC INDEX FROM 2010 TO THE CURRENT YEAR.

(D) (1) THIS SUBSECTION APPLIES ONLY TO HOSPITAL-BASED PHYSICIANS SUBJECT TO THIS SECTION.

(2) FOR A COVERED SERVICE RENDERED TO AN INSURED OF AN INSURER BY A HOSPITAL-BASED PHYSICIAN SUBJECT TO THIS SECTION, THE INSURER OR ITS AGENT:

(I) SHALL PAY THE HOSPITAL-BASED PHYSICIAN WITHIN 30 DAYS AFTER THE RECEIPT OF THE CLAIM IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF THIS TITLE; AND

(II) SHALL PAY A CLAIM SUBMITTED BY THE HOSPITAL-BASED PHYSICIAN FOR A COVERED SERVICE RENDERED TO AN INSURED NO LESS THAN THE GREATER OF:

1. 140% OF THE AVERAGE RATE THE INSURER PAID FOR THE 12-MONTH PERIOD THAT ENDS ON JANUARY 1 OF THE PREVIOUS CALENDAR YEAR IN THE SAME GEOGRAPHIC AREA, AS DEFINED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, FOR THE SAME COVERED SERVICE, TO SIMILARLY LICENSED PROVIDERS, WHO ARE HOSPITAL-BASED PHYSICIANS, UNDER WRITTEN CONTRACT WITH THE INSURER; OR

2. THE FINAL ALLOWED AMOUNT OF THE INSURER FOR THE SAME COVERED SERVICE FOR THE 12-MONTH PERIOD THAT ENDED ON JANUARY 1, 2010, INFLATED BY THE CHANGE IN THE MEDICARE ECONOMIC INDEX TO THE CURRENT YEAR, TO THE HOSPITAL-BASED PHYSICIAN BILLING

UNDER THE SAME FEDERAL TAX IDENTIFICATION NUMBER THE HOSPITAL-BASED PHYSICIAN USED IN CALENDAR YEAR 2009.";

in line 12, strike "**(D)**" and substitute "**(E)(1)**"; in the same line, strike "**SUBSECTION**"; in the same line, strike "**(C)(2)(I)**" and substitute "**SUBSECTIONS (C)(2)(II)1 AND (D)(2)(II)1**"; after line 19, insert:

"**(2) FOR THE PURPOSES OF SUBSECTION (C)(2)(II)2 OF THIS SECTION, AN INSURER SHALL CALCULATE THE AVERAGE RATE PAID TO SIMILARLY LICENSED PROVIDERS NOT UNDER WRITTEN CONTRACT WITH THE INSURER FOR THE SAME COVERED SERVICE BY SUMMING THE RATES PAID TO SIMILARLY LICENSED PROVIDERS NOT UNDER WRITTEN CONTRACT WITH THE INSURER FOR ALL OCCURRENCES OF THE CURRENT PROCEDURAL TERMINOLOGY CODE FOR THAT COVERED SERVICE AND THEN DIVIDING BY THE TOTAL NUMBER OF OCCURRENCES OF THE CURRENT PROCEDURAL TERMINOLOGY CODE.**";

in lines 20, 23, and 33, strike "**(E)**", "**(F)**", and "**(G)**", respectively, and substitute "**(F)**", "**(G)**", and "**(H)**", respectively; in lines 21, 25, 29, and 33, in each instance, after "**PHYSICIAN**" insert "**OR HOSPITAL-BASED PHYSICIAN**"; and in lines 22 and 24, in each instance, after "**(2)**" insert "**(II) OR (D)(2)(II)**".

AMENDMENT NO. 8

On page 11, in line 30, after "**PHYSICIANS**" insert "**OR HOSPITAL-BASED PHYSICIANS**".

On page 12, in lines 25, 27, and 31, in each instance, strike "**NONHOSPITAL-BASED**"; and in line 31, strike "**NONPARTICIPATING**" and substitute "**NONPREFERRED**".

On page 13, in line 2, strike "**NONHOSPITAL-BASED**"; and in lines 7, 10, 13, and 14, in each instance, strike "**NONHOSPITAL-BASED**".

AMENDMENT NO. 9

On page 14, after line 11, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the rate paid by an insurer to a nonpreferred provider who is an on-call physician or a hospital-based physician under the provisions of § 14-205.2 of the Insurance Article, as enacted by Section 1 of this Act, be no less than the rate paid by the insurer to the nonpreferred provider as of December 31, 2009.";

in line 12, strike "2." and substitute "3."; and in line 20, after "physicians" insert "and hospital-based physicians".

On page 15, in lines 4, 14, 18, 21, and 22, strike "3.", "4.", "5.", "6.", and "5", respectively, and substitute "4.", "5.", "6.", "7.", and "6", respectively; in line 6, after "benefits" insert ", including payments:

(i)";

in the same line, strike "health"; in the same line, after "insurers" insert "before the effective date of Section 1 of this Act"; in line 8, after "admissions" insert "; and

(ii) as reported by each insurer contacted by the Administration";

in line 11, strike "2011" and substitute "2010"; in line 13, after "recommendations" insert "including a methodology for determining the final allowed amount to be paid for a claim under § 14-205.2 of the Insurance Article, as enacted by Section 1 of this Act"; in lines 19 and 20, in each instance, strike "January 1" and substitute "July 1"; and in line 22, after the period insert "It shall remain effective for a period of 5 years

and, at the end of September 30, 2015, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.”.