

SENATE BILL 885

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0lr2446

By: **Senators Klausmeier and Astle**

Introduced and read first time: February 15, 2010

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Health – Administrative Service Provider Contracts – Contracting Provider**
3 **Definition**

4 FOR the purpose of excluding a medical laboratory, as defined by a certain provision of
5 law, from the definition of “contracting provider” as it concerns provisions of law
6 relating to health maintenance organizations and certain administrative service
7 provider contracts; and generally relating to administrative service provider
8 contracts.

9 BY repealing and reenacting, with amendments,
10 Article – Health – General
11 Section 19–713.2(a)
12 Annotated Code of Maryland
13 (2009 Replacement Volume)

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

16 **Article – Health – General**

17 19–713.2.

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

19 (2) “Administrative service provider contract” means a contract or
20 capitation agreement between a health maintenance organization and a contracting
21 provider which includes requirements that:

22 (i) The contracting provider accept payments from a health
23 maintenance organization for health care services to be provided to members of the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 health maintenance organization that the contracting provider arranges to be
2 provided by external providers; and

3 (ii) The contracting provider administer payments pursuant to
4 the contract with the health maintenance organization for the health care services to
5 the external providers.

6 (3) (I) “Contracting provider” means a person who enters into an
7 administrative service provider contract with a health maintenance organization.

8 (II) **“CONTRACTING PROVIDER” DOES NOT INCLUDE A**
9 **MEDICAL LABORATORY AS DEFINED IN § 17–201 OF THIS ARTICLE.**

10 (4) “External provider” means a health care provider, including a
11 physician or hospital, who is not:

12 (i) A contracting provider; or

13 (ii) An employee, shareholder, or partner of a contracting
14 provider.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 2010.