

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

House Bill 851 (Delegate Kach)
Health and Government Operations

Health Insurance - Carrier Provider Panels - Medical Laboratories

This bill prohibits an insurer, nonprofit health service plan, health maintenance organization, or dental plan organization (carrier) – or an entity that arranges a provider panel for a carrier – from rejecting an application of a medical laboratory for participation on the carrier’s provider panel if the medical laboratory accepts the carrier’s terms and conditions for participation.

Fiscal Summary

State Effect: The bill does not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: Meaningful for any small business medical laboratory that could contract with a provider under the bill.

Analysis

Current Law: A carrier may reject an application for participation or terminate participation on its provider panel based on the participation on the provider panel of a sufficient number of similarly qualified providers.

A “medical laboratory” is any facility, entity, or site that offers or performs tests or examinations connected with the diagnosis and control of human diseases or the assessment of human health, nutritional, or medical conditions or in connection with job-related drug and alcohol testing. Any laboratory owned or operated by the State, a county, or municipal corporation in the State is considered a medical laboratory.

Additional Information

Prior Introductions: None.

Cross File: SB 712 (Senator Klausmeier) - Finance.

Information Source(s): Maryland Insurance Administration, Department of Health and Mental Hygiene, Department of Budget and Management, Maryland Health Insurance Plan, Department of Legislative Services

Fiscal Note History: First Reader - March 2, 2011
mlm/mwc

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