

SENATE BILL 642

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4r2112
CF 4r2110

By: **Senator Mathias**

Introduced and read first time: January 30, 2014

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Assignment of Benefits and Reimbursement of**
3 **Nonpreferred Providers – Repeal of Reporting Requirement and**
4 **Termination Date**

5 FOR the purpose of repealing the requirement that the Maryland Health Care
6 Commission, in consultation with the Maryland Insurance Administration and
7 the Office of the Attorney General, conduct a certain study and submit certain
8 reports to the General Assembly on or before certain dates; repealing the
9 termination date of certain provisions of law relating to the assignment of
10 benefits and reimbursement of nonpreferred providers; and generally relating to
11 the assignment of benefits and reimbursement of nonpreferred providers.

12 BY repealing

13 Chapter 537 of the Acts of the General Assembly of 2010
14 Section 3

15 BY repealing and reenacting, with amendments,

16 Chapter 537 of the Acts of the General Assembly of 2010
17 Section 7

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

20 **Chapter 537 of the Acts of 2010**

21 [SECTION 3. AND BE IT FURTHER ENACTED, That:

22 (a) The Maryland Health Care Commission, in consultation with the
23 Maryland Insurance Administration and the Office of the Attorney General, shall
24 study:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) the benefits and costs associated with the direct reimbursement of
2 nonparticipating providers by health insurance carriers under a valid assignment of
3 benefits;

4 (2) the impact of enacting a cap on balance billing for nonpreferred,
5 on-call physicians and hospital-based physicians;

6 (3) the impact on consumers of prohibiting health insurance carriers
7 from refusing to accept a valid assignment of benefits; and

8 (4) the impact of requiring direct reimbursement of nonparticipating
9 providers by health insurance carriers on a health insurance carrier's ability to
10 maintain an adequate number of primary and specialty providers in their networks,
11 including the impact on billed charges, allowed charges, and patient responsibility for
12 remaining charges, by specialty.

13 (b) On or before January 1, 2011, the Maryland Health Care Commission
14 shall determine baseline parameters to conduct the study required under subsection
15 (a) of this section.

16 (c) (1) On or before July 1, 2012, the Maryland Health Care Commission
17 shall submit an interim report to the General Assembly, in accordance with § 2-1246
18 of the State Government Article, on its findings under this section.

19 (2) On or before October 1, 2014, the Maryland Health Care
20 Commission shall submit a final report to the General Assembly, in accordance with §
21 2-1246 of the State Government Article, on its findings under this section.]

22 SECTION 7. AND BE IT FURTHER ENACTED, That, except as provided in
23 Section 6 of this Act, this Act shall take effect October, 1, 2010. [It shall remain
24 effective for a period of 5 years and, at the end of September 30, 2015, with no further
25 action required by the General Assembly, this Act shall be abrogated and of no further
26 force and effect.]

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 June 1, 2014.