

SENATE BILL 450

C3

5r1685
CF 5r1558

By: **Senator Guzzone**

Introduced and read first time: February 6, 2015

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Expense Reimbursement Claims Forms – Methods for**
3 **Submission**

4 FOR the purpose of requiring certain insurers, nonprofit health service plans, and health
5 maintenance organizations to permit an insured, a subscriber, or a member to
6 submit a claim for reimbursement for certain expenses by first-class mail and by
7 facsimile transmission or through a certain Web site; requiring certain insurers,
8 nonprofit health service plans, and health maintenance organizations to provide a
9 certain notice and certain instructions; specifying when certain insurers, nonprofit
10 health service plans, and health maintenance organizations must comply with this
11 Act; and generally relating to submission of claims forms under health insurance.

12 BY adding to
13 Article – Insurance
14 Section 15–1011
15 Annotated Code of Maryland
16 (2011 Replacement Volume and 2014 Supplement)

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

19 **Article – Insurance**

20 **15–1011.**

21 **(A) (1) THIS SECTION APPLIES TO:**

22 **(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**
23 **PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR
2 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

3 (II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE
4 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER
5 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

6 (2) THIS SECTION DOES NOT APPLY TO CLAIMS FOR
7 REIMBURSEMENT:

8 (I) FOR SERVICES RECEIVED UNDER MEDICARE
9 SUPPLEMENTAL POLICIES OR CONTRACTS; OR

10 (II) FOR PHARMACEUTICAL OR VISION SERVICES.

11 (B) AN ENTITY SUBJECT TO THIS SECTION SHALL PERMIT AN INSURED, A
12 SUBSCRIBER, OR A MEMBER SEEKING REIMBURSEMENT FOR EXPENSES INCURRED
13 BY THE INSURED, SUBSCRIBER, OR MEMBER, IN CONNECTION WITH A COVERED
14 SERVICE PROVIDED IN THE UNITED STATES, TO SUBMIT A CLAIM FOR
15 REIMBURSEMENT:

16 (1) BY FIRST-CLASS MAIL; AND

17 (2) AT THE ELECTION OF THE ENTITY:

18 (I) BY FACSIMILE TRANSMISSION; OR

19 (II) THROUGH A WEB SITE THAT ALLOWS FOR THE SECURE
20 TRANSMISSION OF INFORMATION.

21 (C) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE:

22 (1) A NOTICE THAT A CLAIMS FORM MAY BE SUBMITTED:

23 (I) BY FIRST-CLASS MAIL; AND

24 (II) AT THE ELECTION OF THE ENTITY:

25 1. BY FACSIMILE TRANSMISSION; OR

26 2. THROUGH A WEB SITE THAT ALLOWS FOR THE
27 SECURE TRANSMISSION OF INFORMATION; AND

1 **(2) INSTRUCTIONS ON HOW TO SUBMIT A CLAIM BY FACSIMILE**
2 **TRANSMISSION OR THROUGH A SECURE WEB SITE.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That an insurer, a nonprofit health
4 service plan, or a health maintenance organization subject to this Act shall comply with
5 this Act on the earlier of:

6 (1) the date that the claims processing system of the insurer, nonprofit
7 health service plan, or health maintenance organization is capable of complying with the
8 Act; or

9 (2) October 1, 2017.

10 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2015.