

# HOUSE BILL 1376

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By: **Delegates Parrott, McComas, McKay, Metzgar, and Sample-Hughes**

Introduced and read first time: February 12, 2016

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Coverage of Air Ambulance Transport Services**

3 FOR the purpose of requiring insurers, nonprofit health service plans, and health  
4 maintenance organizations that provide certain health insurance benefits under  
5 certain insurance policies or contracts to provide coverage for certain air ambulance  
6 transport services; requiring certain insurers, nonprofit health service plans, and  
7 health maintenance organizations that use a provider panel to ensure that provider  
8 panels include certain providers for a certain purpose; requiring certain insurers,  
9 nonprofit health service plans, and health maintenance organizations that use a  
10 provider panel to hold an insured or enrollee harmless for the amount of a certain  
11 bill under certain circumstances; requiring certain standards for certain insurers,  
12 nonprofit health service plans, and health maintenance organizations to include a  
13 certain requirement; providing for the application of this Act; defining certain terms;  
14 and generally relating to coverage of air ambulance transport services under health  
15 insurance.

16 BY repealing and reenacting, with amendments,  
17 Article – Insurance  
18 Section 15–112(a) and (b)  
19 Annotated Code of Maryland  
20 (2011 Replacement Volume and 2015 Supplement)

21 BY adding to  
22 Article – Insurance  
23 Section 15–850  
24 Annotated Code of Maryland  
25 (2011 Replacement Volume and 2015 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



## Article – Insurance

15–112.

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

(2) “Accredited hospital” has the meaning stated in § 19–301 of the Health – General Article.

**(3) “AIR AMBULANCE TRANSPORT SERVICES” HAS THE MEANING STATED IN § 15–850 OF THIS TITLE.**

~~[(3)]~~ (4) “Ambulatory surgical facility” has the meaning stated in § 19–3B–01 of the Health – General Article.

~~[(4)]~~ (5) (i) “Carrier” means:

1. an insurer;

2. a nonprofit health service plan;

3. a health maintenance organization;

4. a dental plan organization; or

5. any other person that provides health benefit plans subject to regulation by the State.

(ii) “Carrier” includes an entity that arranges a provider panel for a carrier.

~~[(5)]~~ (6) “Credentialing intermediary” means a person to whom a carrier has delegated credentialing or recredentialing authority and responsibility.

~~[(6)]~~ (7) “Enrollee” means a person entitled to health care benefits from a carrier.

~~[(7)]~~ (8) “Hospital” has the meaning stated in § 19–301 of the Health – General Article.

~~[(8)]~~ (9) “Participating provider” means a provider on a carrier’s provider panel.

~~[(9)]~~ (10) “Online credentialing system” means the system through which a provider may access an online provider credentialing application that the Commissioner has designated as the uniform credentialing form under § 15–112.1(e) of this subtitle.

1            ~~[(10)]~~ **(11)** “Provider” means:

2                    **(I)** a health care practitioner or group of health care practitioners  
3 licensed, certified, or otherwise authorized by law to provide health care services; **OR**

4                    **(II) A PROVIDER OF AIR AMBULANCE TRANSPORT SERVICES.**

5            ~~[(11)]~~ **(12)** (i) “Provider panel” means the providers that contract either  
6 directly or through a subcontracting entity with a carrier to provide health care services to  
7 the carrier’s enrollees under the carrier’s health benefit plan.

8                    (ii) “Provider panel” does not include an arrangement in which any  
9 provider may participate solely by contracting with the carrier to provide health care  
10 services at a discounted fee-for-service rate.

11            (b) (1) **[A] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A** carrier  
12 that uses a provider panel shall:

13                    (i) 1. if the carrier is an insurer, nonprofit health service plan,  
14 or dental plan organization, maintain standards in accordance with regulations adopted by  
15 the Commissioner for availability of health care providers to meet the health care needs of  
16 enrollees;

17                    2. if the carrier is a health maintenance organization, adhere  
18 to the standards for accessibility of covered services in accordance with regulations adopted  
19 under § 19-705.1(b)(1)(i)2 of the Health – General Article; and

20                    3. if the carrier is an insurer or nonprofit health service plan  
21 that offers a preferred provider insurance policy that conditions the payment of benefits on  
22 the use of preferred providers, adhere to the standards for accessibility of covered services  
23 in accordance with regulations adopted under § 19-705.1(b)(1)(i)2 of the Health – General  
24 Article and as enforced by the Secretary of Health and Mental Hygiene; and

25                    (ii) establish procedures to:

26                    1. review applications for participation on the carrier’s  
27 provider panel in accordance with this section;

28                    2. notify an enrollee of:

29                    A. the termination from the carrier’s provider panel of the  
30 primary care provider that was furnishing health care services to the enrollee; and

31                    B. the right of the enrollee, on request, to continue to receive  
32 health care services from the enrollee’s primary care provider for up to 90 days after the

1 date of the notice of termination of the enrollee's primary care provider from the carrier's  
2 provider panel, if the termination was for reasons unrelated to fraud, patient abuse,  
3 incompetency, or loss of licensure status;

4 3. notify primary care providers on the carrier's provider  
5 panel of the termination of a specialty referral services provider;

6 4. verify with each provider on the carrier's provider panel,  
7 at the time of credentialing and recredentialing, whether the provider is accepting new  
8 patients and update the information on participating providers that the carrier is required  
9 to provide under subsection (j) of this section; and

10 5. notify a provider at least 90 days before the date of the  
11 termination of the provider from the carrier's provider panel, if the termination is for  
12 reasons unrelated to fraud, patient abuse, incompetency, or loss of licensure status.

13 (2) The provisions of paragraph (1)(ii)4 of this subsection may not be  
14 construed to require a carrier to allow a provider to refuse to accept new patients covered  
15 by the carrier.

16 **(3) FOR A CARRIER THAT IS AN INSURER, A NONPROFIT HEALTH**  
17 **SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION, THE STANDARDS**  
18 **REQUIRED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL INCLUDE A**  
19 **REQUIREMENT THAT A PROVIDER PANEL MEET THE REQUIREMENTS OF §**  
20 **15-850(D)(2) OF THIS TITLE.**

21 **15-850.**

22 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**  
23 **INDICATED.**

24 **(2) "AIR AMBULANCE TRANSPORT SERVICE" MEANS THE TRANSPORT**  
25 **OF AN INDIVIDUAL BY AIRCRAFT, INCLUDING A HELICOPTER, TO A HEALTH CARE**  
26 **FACILITY TO RECEIVE HEALTH CARE SERVICES.**

27 **(3) "PROVIDER PANEL" HAS THE MEANING STATED IN § 15-112 OF**  
28 **THIS TITLE.**

29 **(B) THIS SECTION APPLIES TO:**

30 **(1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**  
31 **PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS**  
32 **ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR**  
33 **CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND**

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

4           **(C) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR**  
5 **MEDICALLY NECESSARY AIR AMBULANCE TRANSPORT SERVICES.**

6           **(D) (1) THIS SUBSECTION APPLIES TO AN ENTITY SUBJECT TO THIS**  
7 **SECTION THAT USES A PROVIDER PANEL.**

8           **(2) AN ENTITY SUBJECT TO THIS SUBSECTION SHALL ENSURE THAT**  
9 **ITS PROVIDER PANEL INCLUDES A SUFFICIENT NUMBER OF PROVIDERS OF AIR**  
10 **AMBULANCE TRANSPORT SERVICES TO MEET THE HEALTH CARE NEEDS OF THE**  
11 **ENTITY'S INSURED AND ENROLLEES.**

12           **(3) IF AN INSURED OR ENROLLEE OF AN ENTITY SUBJECT TO THIS**  
13 **SUBSECTION RECEIVES A BALANCE BILL FOR THE RECEIPT OF AIR AMBULANCE**  
14 **TRANSPORT SERVICES FROM A PROVIDER THAT IS NOT INCLUDED IN THE PROVIDER**  
15 **PANEL OF THE ENTITY, THE ENTITY SHALL HOLD THE INSURED OR ENROLLEE**  
16 **HARMLESS FOR THE AMOUNT OF THE BALANCE BILL.**

17           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
18 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or  
19 after January 1, 2017.

20           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
21 1, 2016.