

Chapter 37

(Senate Bill 724)

AN ACT concerning

**Health Insurance Carriers – Requirements for Internal Grievance Process
– Modification**

FOR the purpose of altering the process by which a health insurance carrier is required to provide notice of an adverse decision in nonemergency cases under the internal grievance process established by the carrier for its members; and generally relating to health insurance and requirements for internal grievance processes.

BY repealing and reenacting, without amendments,
 Article – Insurance
 Section 15–10A–02(a)
 Annotated Code of Maryland
 (2017 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
 Article – Insurance
 Section 15–10A–02(f)
 Annotated Code of Maryland
 (2017 Replacement Volume and 2022 Supplement)

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

Article – Insurance

15–10A–02.

(a) Each carrier shall establish an internal grievance process for its members.

(f) For nonemergency cases, when a carrier renders an adverse decision, the carrier shall:

(1) [document the adverse decision in writing after the carrier has provided oral communication of the decision to] **INFORM** the member, the member’s representative, or the health care provider acting on behalf of the member **OF THE ADVERSE DECISION:**

(I) ORALLY BY TELEPHONE; OR

(II) WITH THE AFFIRMATIVE CONSENT OF THE MEMBER, THE MEMBER’S REPRESENTATIVE, OR THE HEALTH CARE PROVIDER ACTING ON BEHALF

OF THE MEMBER, BY TEXT, FACSIMILE, E-MAIL, AN ONLINE PORTAL, OR OTHER EXPEDITED MEANS; and

(2) send, within 5 working days after the adverse decision has been made, a written notice to the member, the member's representative, and a health care provider acting on behalf of the member that:

(i) states in detail in clear, understandable language the specific factual bases for the carrier's decision;

(ii) references the specific criteria and standards, including interpretive guidelines, on which the decision was based, and may not solely use generalized terms such as "experimental procedure not covered", "cosmetic procedure not covered", "service included under another procedure", or "not medically necessary";

(iii) states the name, business address, and business telephone number of:

1. the medical director or associate medical director, as appropriate, who made the decision if the carrier is a health maintenance organization; or

2. the designated employee or representative of the carrier who has responsibility for the carrier's internal grievance process if the carrier is not a health maintenance organization;

(iv) gives written details of the carrier's internal grievance process and procedures under this subtitle; and

(v) includes the following information:

1. that the member, the member's representative, or a health care provider on behalf of the member has a right to file a complaint with the Commissioner within 4 months after receipt of a carrier's grievance decision;

2. that a complaint may be filed without first filing a grievance if the member, the member's representative, or a health care provider filing a grievance on behalf of the member can demonstrate a compelling reason to do so as determined by the Commissioner;

3. the Commissioner's address, telephone number, and facsimile number;

4. a statement that the Health Advocacy Unit is available to assist the member or the member's representative in both mediating and filing a grievance under the carrier's internal grievance process; and

5. the address, telephone number, facsimile number, and electronic mail address of the Health Advocacy Unit.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2023.

Approved by the Governor, April 11, 2023.