

Chapter 109

(Senate Bill 474)

AN ACT concerning

Managed Care Organizations – Acknowledgment of Responsibility for Payment of a Retroactive Denial of Reimbursement – Repeal of Applicability Information in Written Statement

FOR the purpose of ~~providing that a managed care organization that retroactively denies reimbursement to a health care provider is not required to provide certain information regarding the entity acknowledging responsibility for payment of the denied claim~~ altering the information that must be included in a written statement provided by a managed care organization to a health care provider when retroactively denying reimbursement as a result of coordination of benefits; and generally relating to managed care organization and retroactive denial of reimbursement.

BY repealing and reenacting, with amendments,

Article – Health – General

Section 15–102.3(c)

Annotated Code of Maryland

(2019 Replacement Volume and 2022 Supplement)

BY adding to

Article – Health – General

Section 15–102.3(k)

Annotated Code of Maryland

(2019 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, ~~without~~ with amendments,

Article – Insurance

~~Section 15–1008(e)(2)(ii)~~ 15–1008(c)(2)

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 – Health – General

15–102.3.

(c) The provisions of §§ 4–311, 15–604, ~~AND~~ 15–605, and [15–1008] ~~15–1008(A), (B), (C)(1) AND (2)(I), (D), (E), AND (F)~~ of the Insurance Article shall apply to managed care organizations in the same manner they apply to carriers.

(K) (1) TO THE EXTENT AUTHORIZED UNDER FEDERAL LAW AND SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE PROVISIONS OF § 15–1008(A), (B), (C)(1) AND (2)(I), (D), (E), AND (F) OF THE INSURANCE ARTICLE SHALL APPLY TO MANAGED CARE ORGANIZATIONS IN THE SAME MANNER THEY APPLY TO CARRIERS.

(2) IF A RETROACTIVE DENIAL OF REIMBURSEMENT IS THE RESULT OF COORDINATION OF BENEFITS, A WRITTEN STATEMENT PROVIDED BY A MANAGED CARE ORGANIZATION TO A HEALTH CARE PROVIDER IN ACCORDANCE WITH § 15–1008(C)(2)(I) OF THE INSURANCE ARTICLE SHALL INCLUDE THE NAME AND ADDRESS OF THE ENTITY IDENTIFIED BY THE MANAGED CARE ORGANIZATION AS RESPONSIBLE FOR PAYMENT OF THE CLAIM.

Article – Insurance

15–1008.

~~(e) (2) (ii) If the retroactive denial of reimbursement results from coordination of benefits, the written statement shall provide the name and address of the entity acknowledging responsibility for payment of the denied claim.~~

(c) (2) (i) A carrier that retroactively denies reimbursement to a health care provider under paragraph (1) of this subsection shall provide the health care provider with a written statement specifying the basis for the retroactive denial.

(ii) If the retroactive denial of reimbursement results from coordination of benefits BY A CARRIER THAT IS NOT A MANAGED CARE ORGANIZATION, the written statement shall provide the name and address of the entity acknowledging responsibility for payment of the denied claim.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved by the Governor, April 24, 2023.