

HOUSE BILL 1337

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By: ~~Delegate Woods~~ Delegates Woods, Alston, Bagnall, Bhandari, Chisholm, Cullison, Guzzone, Hill, Hutchinson, S. Johnson, Kaiser, Kerr, Kipke, R. Lewis, Lopez, Martinez, M. Morgan, Pena-Melnyk, Reilly, Rosenberg, Szeliga, Taveras, and White Holland

Introduced and read first time: February 9, 2024

Assigned to: Health and Government Operations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2024

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Appeals and Grievances Process – Reporting Requirements**
3 **~~and Establishment of Workgroup~~**

4 FOR the purpose of requiring certain carriers to report additional data on members and
5 clean claims to the Maryland Insurance Commissioner; ~~requiring the Maryland~~
6 ~~Insurance Administration and the Health Education and Advocacy Unit of the Office~~
7 ~~of the Attorney General jointly to establish a workgroup to study the appeals and~~
8 ~~grievances process of health insurance claims and submit a report to the General~~
9 ~~Assembly on or before a certain date;~~ and generally relating to health insurance and
10 the appeals and grievances process.

11 BY repealing and reenacting, with amendments,
12 Article – Insurance
13 Section 15–10A–06
14 Annotated Code of Maryland
15 (2017 Replacement Volume and 2023 Supplement)

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

18 **Article – Insurance**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 15-10A-06.

2 (a) On a quarterly basis, each carrier shall submit to the Commissioner, on the
3 form the Commissioner requires, a report that describes:

4 **(1) THE NUMBER OF MEMBERS ENTITLED TO HEALTH CARE BENEFITS**
5 **UNDER A POLICY, PLAN, OR CERTIFICATE ISSUED OR DELIVERED IN THE STATE BY**
6 **THE CARRIER;**

7 **(2) THE NUMBER OF CLEAN CLAIMS FOR REIMBURSEMENT**
8 **PROCESSED BY THE CARRIER;**

9 **[(1)] (3)** the activities of the carrier under this subtitle, including:

10 (i) the outcome of each grievance filed with the carrier;

11 (ii) the number and outcomes of cases that were considered
12 emergency cases under § 15-10A-02(b)(2)(i) of this subtitle;

13 (iii) the time within which the carrier made a grievance decision on
14 each emergency case;

15 (iv) the time within which the carrier made a grievance decision on
16 all other cases that were not considered emergency cases;

17 (v) the number of grievances filed with the carrier that resulted from
18 an adverse decision involving length of stay for inpatient hospitalization as related to the
19 medical procedure involved; and

20 (vi) the number of adverse decisions issued by the carrier under §
21 15-10A-02(f) of this subtitle and the type of service at issue in the adverse decisions; and

22 **[(2)] (4)** the number and outcome of all other cases that are not subject to
23 activities of the carrier under this subtitle that resulted from an adverse decision involving
24 the length of stay for inpatient hospitalization as related to the medical procedure involved.

25 (b) The Commissioner shall:

26 (1) compile an annual summary report based on the information provided:

27 (i) under subsection (a) of this section; and

28 (ii) by the Secretary under § 19-705.2(e) of the Health – General
29 Article; and

1 (2) provide copies of the summary report to the Governor and, subject to §
2 2–1257 of the State Government Article, to the General Assembly.

3 ~~SECTION 2. AND BE IT FURTHER ENACTED, That:~~

4 ~~(a) The Maryland Insurance Administration and the Health Education and~~
5 ~~Advocacy Unit of the Office of the Attorney General jointly shall establish a workgroup to~~
6 ~~study the appeals and grievances process for health insurance claims in the State.~~

7 ~~(b) The workgroup shall:~~

8 ~~(1) jointly be chaired by a representative of the Maryland Insurance~~
9 ~~Administration and a representative of the Health Education and Advocacy Unit of the~~
10 ~~Office of the Attorney General; and~~

11 ~~(2) consist of the following members identified by the cochairs:~~

12 ~~(i) three representatives of consumers of health benefit plans in the~~
13 ~~State; and~~

14 ~~(ii) three representatives of health insurance carriers that offer~~
15 ~~health benefit plans in the State.~~

16 ~~(c) The workgroup shall study the appeals and grievances process for health~~
17 ~~insurance claims in Maryland, including whether:~~

18 ~~(1) the data required to be reported by carriers under § 15–10A–06 of the~~
19 ~~Insurance Article, as enacted by this Act, and other reporting requirements under federal~~
20 ~~and State law is duplicative;~~

21 ~~(2) additional data that is not currently reported by carriers is needed to~~
22 ~~determine accountability to the State’s appeals and grievances law;~~

23 ~~(3) the data reported by carriers on appeals and grievances is accessible by~~
24 ~~consumers and whether accessibility can be improved;~~

25 ~~(4) consumers are aware of and understand the appeals and grievances~~
26 ~~process and the actions the Maryland Insurance Administration, the Health Education and~~
27 ~~Advocacy Unit of the Office of the Attorney General, and carriers can take to improve~~
28 ~~consumer awareness and understanding; and~~

29 ~~(5) carriers currently use or have future plans to use artificial intelligence~~
30 ~~in the appeals and grievances process and how.~~

31 ~~(d) On or before December 31, 2024, the Maryland Insurance Administration and~~
32 ~~the Health Education and Advocacy Unit of the Office of the Attorney General jointly shall~~
33 ~~report the findings and recommendations of the workgroup to the Senate Finance~~

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1 ~~Committee and the House Health and Government Operations Committee, in accordance~~
2 ~~with § 2-1257 of the State Government Article.~~

3 SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2024.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.