

or preferred provider contract vary based upon individual negotiations, geographic differences, or market conditions and are approved by the Health Services Cost Review Commission, the rates may not be deemed to constitute unfair discrimination under this article.

(d) This section does not apply to any employee benefit plan regulated by federal law or by the Employee Retirement Income Security Act of 1974 (ERISA).]

[477FF.

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

(2) "Preferred provider policies or preferred provider contracts" means insurance policies or insurance contracts which specify the services and how services are to be covered when rendered by preferred and nonpreferred providers.

(3) "Preferred provider" means a provider who has contracted with an insurer to meet the terms and conditions offered in the preferred provider policy or preferred provider contract.

(4) "Provider" means any person, including a physician or hospital, who is licensed or otherwise authorized to provide health care services, within the scope of the license or authorization.

(5) "Nonpreferred provider" means a provider eligible for payment under a preferred provider policy or preferred provider contract, who is not a contractee under the provisions of the insurance policy or insurance contract.

(6) "Unfair discrimination" means any act, method of competition, or practice engaged in by an insurer, which is prohibited by Sections 217 through 234, inclusive, of this article or any act, method of competition, or practice not specified in Sections 217 through 234, inclusive, of this article that the Commissioner believes is unfair or deceptive and which results in the institution of an action by the Commissioner under Section 216 of this article.

(b) (1) Subject to the approval of the Commissioner, an insurer may offer or administer a health benefit program under which the insurer may offer preferred provider policies or preferred provider contracts that limit the numbers and types of providers of health care services eligible for payment as preferred providers under the insurance policies or insurance contracts.

(2) An insurer may establish terms and conditions that shall be met by a provider in order to qualify for payment as a preferred provider under the insurance policies or insurance contracts.

(3) If a preferred provider policy or preferred provider contract provides for reimbursement for any service that is within the lawful scope of practice of a health care provider licensed under the Health Occupations Article, any participant, beneficiary, or other person covered by the insurance policy or insurance contract shall be entitled to reimbursement for that service.