

S. C. § 1396 et seq. (1970 Ed. and Supp. III 1972), as amended from time to time, AND PUBLIC HEALTH SERVICE ACT, TITLE III (42 U.S.C. § 254C), AS AMENDED FROM TIME TO TIME, the professional standards review organization, consistent with the certification of the Secretary of the United States Department of Health, Education and Welfare, is authorized to review health and medical services of the health maintenance organizations;

(8) With the approval of the Department of Health and Mental Hygiene, the organization has provided for an internal peer review which will provide for continuous monitoring and evaluation of patient records for quality of care and for over-utilization and under-utilization of provider care;

(9) The organization has provided an internal grievance system to resolve adequately any grievances initiated by any of its HEALTH MAINTENANCE ORGANIZATION members, in a manner approved by the Department of Health and Mental Hygiene on matters concerning quality of care and by the Commissioner on financial matters, in accordance with joint internal administrative rules and procedures;

(10) Procedures are established to offer all members an opportunity to participate in matters of policy and operation; and

(11) The HEALTH MAINTENANCE organization will maintain a health and medical records system which is readily accessible by duly authorized persons under procedures assuring maximum confidentiality and which is adequate to provide an accurate documentation of utilization for every member. The health and medical records system shall clearly identify, at a minimum, each patient by name, number, age and sex, and to indicate clearly:

- (i) The services provided;
- (ii) When the services were provided;
- (iii) Where the services were provided;
- (iv) By whom the services were provided;
- (v) The diagnosis and prognosis, if appropriate;
- (vi) The treatment;
- (vii) Any drug therapy; and
- (viii) The patient's health status, if appropriate.

(b) The Commissioner may, in accordance with regulations, permit [an] A HEALTH MAINTENANCE organization