

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1986.

Approved May 27, 1986.

CHAPTER 739

(House Bill 693)

AN ACT concerning

Health Insurance -
Preferred Provider Policies or Contracts

FOR the purpose of requiring preferred provider policies or preferred provider contracts to ~~contain the same copayment and deductible provisions for services rendered by nonpreferred providers as they contain for the services rendered by preferred providers~~ provide that the aggregate payments to nonpreferred providers, after all deductible and copayment provisions have been applied, shall not be less than a certain percentage of the aggregate payments to preferred providers with certain exceptions; providing for the applicability of this Act; and generally relating to preferred provider policies or preferred provider contracts.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
Section 354EE(b), 470X(b), and 477FF(b)
Annotated Code of Maryland
(1979 Replacement Volume and 1985 Supplement)

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

Article 48A - Insurance Code

354EE.

(b) (1) Subject to the approval of the Commissioner, a nonprofit health service plan may offer or administer a health benefit program under which the nonprofit health service plan 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) A nonprofit health service plan may establish terms and conditions that shall be met by a provider in order to