

~~19-1509.~~

~~(A) BY JULY 1, 1996, THE COMMISSION SHALL ADOPT REGULATIONS ESTABLISHING A PAYMENT SYSTEM, INCLUDING A FEE SCHEDULE, FOR HEALTH CARE SERVICES:~~

~~(1) COVERED UNDER THE COMPREHENSIVE STANDARD HEALTH BENEFIT PLAN; AND~~

~~(2) PROVIDED BY A PHYSICIAN OR OFFICE FACILITY.~~

~~(B) THE PAYMENT SYSTEM ADOPTED IN ACCORDANCE WITH THIS SECTION SHALL BE DESIGNED TO PROVIDE REASONABLE ASSURANCE THAT:~~

~~(1) THE FEE PAID TO A PHYSICIAN OR OFFICE FACILITY FOR A COVERED SERVICE IS REASONABLY RELATED TO THE COST OF PROVIDING THE SERVICE;~~

~~(2) THE PAYMENT SYSTEM, INCLUDING THE FEE SCHEDULE, APPLIES EQUITABLY TO ALL PAYORS OR CLASSES OF PAYORS WITHOUT UNFAIR DISCRIMINATION;~~

~~(3) THE PAYMENT SYSTEM CONTAINS APPROPRIATE PROVISIONS OR INCENTIVES TO CONTROL THE UTILIZATION OR VOLUME OF HEALTH CARE SERVICES RENDERED BY PHYSICIANS AND OFFICE FACILITIES; AND~~

~~(4) THE PAYMENT SYSTEM IS COORDINATED WITH THE HOSPITAL RATE REGULATORY SYSTEM UNDER SUBTITLE 2 OF THIS TITLE AND PROMOTES THE DEVELOPMENT OF CONSISTENT FINANCIAL INCENTIVES AMONG ALL PROVIDERS.~~

~~(C) (1) ON OR BEFORE OCTOBER 1, 1995, AND PRIOR TO IMPLEMENTING THE PAYMENT SYSTEM UNDER THIS SECTION, THE COMMISSION SHALL SUBMIT A PROGRESS REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1312 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON THE DEVELOPMENT OF THE PAYMENT SYSTEM.~~

~~(2) IN PREPARING THE PROGRESS REPORT, THE COMMISSION SHALL CONSIDER AMONG OTHER RELEVANT FACTORS:~~

~~(I) THE CURRENT SYSTEMS USED BY THIRD PARTY PAYORS TO REIMBURSE PHYSICIANS AND THE EXTENT TO WHICH THESE SYSTEMS INFLUENCE THE VARIATION IN PHYSICIAN FEES;~~

~~(II) THE EXTENT TO WHICH PHYSICIAN SPECIALTY DESIGNATIONS INFLUENCE FEES;~~

~~(III) THE RESOURCE BASED RELATIVE VALUE SYSTEM ADOPTED BY THE FEDERAL GOVERNMENT FOR PHYSICIANS PAYMENTS UNDER MEDICARE PART B;~~

~~(IV) THE GEOGRAPHIC VARIATION IN PRACTICE COSTS, INCLUDING THE COST OF PROFESSIONAL LIABILITY INSURANCE;~~