

CHAPTER 445

(House Bill 317)

AN ACT concerning

**Health Insurers - Negotiated Alternative Rates - Amount of Insured Copayments
Coinsurance Payment**

FOR the purpose of providing that, if certain insurers and nonprofit health service plans negotiate and enter into contracts with certain health care providers to provide health care services to their insureds at alternative rates of payment and insured copayments are to be based on a percentage of the fee for health care services rendered by a health care provider, the insurer or nonprofit health plan shall calculate the amount of the ~~copayment~~ coinsurance payment to be paid by an insured from the negotiated alternative rate; prohibiting insurers and nonprofit health service plans from charging or collecting ~~copayment amounts~~ coinsurance payment from an insured that are greater than the ~~copayment~~ coinsurance payment amount calculated from the negotiated alternative rate; defining certain terms; and generally relating to requiring insurers and nonprofit health service plans to calculate ~~insured copayment~~ coinsurance payment amounts from negotiated alternative rates under certain circumstances.

BY adding to

Article 48A - Insurance Code
Section 490FF
Annotated Code of Maryland
(1994 Replacement Volume and 1995 Supplement)

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

Article 48A - Insurance Code

490FF.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "HEALTH CARE SERVICE" MEANS ANY HEALTH OR MEDICAL CARE PROCEDURE OR SERVICE RENDERED BY A PROVIDER THAT:

(I) PROVIDES TESTING, DIAGNOSIS, OR TREATMENT OF HUMAN DISEASE OR DYSFUNCTION; OR

(II) DISPENSES DRUGS, MEDICAL DEVICES, MEDICAL APPLIANCES, OR MEDICAL GOODS FOR THE TREATMENT OF HUMAN DISEASE OR DYSFUNCTION.

(3) "~~PROVIDER~~" MEANS ~~A PERSON WHO IS LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH OCCUPATIONS ARTICLE TO PROVIDE HEALTH CARE SERVICES~~ ANY PERSON, INCLUDING A PHYSICIAN OR