

(5) EXCEPT FOR A MANAGED CARE ORGANIZATION AS DEFINED IN TITLE 15, SUBTITLE 1 OF THE HEALTH - GENERAL ARTICLE, ANY OTHER PERSON THAT PROVIDES HEALTH BENEFIT PLANS SUBJECT TO REGULATION BY THE STATE.

(b) (1) [Each] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, EACH entity subject to this section shall:

[(1)] (I) have a certificate issued under Subtitle 10B of this title; OR

[(2)] (II) contract with a private review agent that has a certificate issued under Subtitle 10B of this title[; or].

[(3)] (2) FOR HOSPITAL SERVICES, EACH ENTITY SUBJECT TO THIS SECTION MAY contract with or delegate utilization review to a hospital utilization review program approved under § 19-319(d) of the Health - General Article.

(c) Notwithstanding any other provision of this article, if the medical necessity of providing a covered benefit is disputed, an entity subject to this section that does not meet the requirements of subsection (b) of this section shall pay any person entitled to reimbursement under the policy[, contract, or certificate] OR CONTRACT in accordance with the determination of medical necessity by [the hospital utilization review program approved under § 19-319(d) of the Health - General Article]:

(1) THE TREATING PROVIDER; OR

(2) WHEN HOSPITAL SERVICES ARE PROVIDED, THE HOSPITAL UTILIZATION REVIEW PROGRAM APPROVED UNDER § 19-319(D) OF THE HEALTH - GENERAL ARTICLE.

(D) AN ENTITY SUBJECT TO THIS SECTION MAY NOT:

(1) ACT AS A PRIVATE REVIEW AGENT WITHOUT HOLDING A CERTIFICATE ISSUED UNDER SUBTITLE 10B OF THIS TITLE; OR

(2) USE A PRIVATE REVIEW AGENT THAT DOES NOT HOLD A CERTIFICATE ISSUED UNDER SUBTITLE 10B OF THIS TITLE.

(E) AN ENTITY THAT VIOLATES ANY PROVISION OF THIS SECTION IS SUBJECT TO THE PENALTIES PROVIDED UNDER § 15-10B-12 OF THIS TITLE.

15-10B-01.

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

(b) (1) "Adverse decision" means a utilization review determination made by a private review agent that a proposed or delivered health care service:

(i) is or was not medically necessary, appropriate, or efficient; and

(ii) may result in noncoverage of the health care service.

(2) [There is no adverse decision if the private review agent and the health care provider on behalf of the patient reach an agreement on the proposed or