

(f) (1) If an insurer, nonprofit health service plan, or health maintenance organization fails to comply with subsection (c) of this section, the insurer, nonprofit health service plan, or health maintenance organization shall pay interest on the amount of the claim that remains unpaid 30 days after the claim is filed RECEIVED at the monthly rate of:

- (i) 1.5% from the 31st day through the 60th day;
- (ii) 2% from the 61st day through the 120th day; and
- (iii) 2.5% after the 120th day.

(2) The interest paid under this subsection shall be included in any late reimbursement without the necessity for the person that filed the original claim to make an additional claim for that interest.

(G) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION THAT VIOLATES A PROVISION OF THIS SECTION IS SUBJECT TO:

(1) A FINE NOT EXCEEDING \$500 FOR EACH VIOLATION THAT IS ARBITRARY AND CAPRICIOUS, BASED ON ALL AVAILABLE INFORMATION; AND

(2) THE PENALTIES PRESCRIBED UNDER § 4-113(D) OF THIS ARTICLE FOR VIOLATIONS COMMITTED WITH A FREQUENCY THAT INDICATES A GENERAL BUSINESS PRACTICE.

SECTION 2. AND BE IT FURTHER ENACTED, That the regulations required under Section 1 of this Act shall be ~~adopted~~ published for proposal on or before ~~October 1, 2000~~ January 1, 2001. To facilitate implementation of the requirements of this Act, the Insurance Commissioner shall convene a State Uniform Billing Committee comprised of representatives of the affected parties to advise and assist in the development of the regulations. The regulations required under Section 1 of this Act shall include standards for clean claims for services rendered in a hospital emergency facility.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2000.

May 18, 2000

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 801 - Health Insurance - Small Group Market - Eligibility Requirements.