

CHAPTER 446

(House Bill 1263)

AN ACT concerning

Health Maintenance Organizations – Payment for Referral Services

FOR the purpose of requiring health maintenance organizations which enter into certain agreements to be responsible for certain payments to certain providers for certain services; requiring a health maintenance organization to file a certain plan with the Insurance Commissioner prior to entering into a certain contract with certain providers; requiring the Commissioner to approve the plan; establishing the requirements of the plan; requiring a health maintenance organization to assume administration of certain payments due to certain providers under certain circumstances; providing that the plan shall be confidential; making a portion of this Act subject to a certain contingency; and generally relating to agreements made by persons who hold certificates of authority for health maintenance organizations.

BY repealing and reenacting, with amendments,

Article – Health – General

Section 19–712

Annotated Code of Maryland

(1990 Replacement Volume and 1990 Supplement)

BY adding to

Article – Health – General

Section 19–713.1

Annotated Code of Maryland

(1990 Replacement Volume and 1990 Supplement)

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

Article – Health – General

19–712.

(A) [A] SUBJECT TO THE PROVISIONS OF SUBSECTION (B) OF THIS SECTION, A person who holds a certificate of authority to operate a health maintenance organization under this subtitle may:

(1) Exercise the power that professional and other corporations, partnerships, associations, or other business entities have under their organizational documents and any laws of this State that do not conflict with this subtitle;

(2) Provide health care services to nonmembers who present themselves on other than a prepaid basis;