

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

[(e) "Utilization review" means a system for reviewing the appropriate and efficient allocation of hospital resources and services given or proposed to be given to a patient or group of patients.]

[(f)] (G) "Private review agent" means:

(1) A nonhospital-affiliated person or entity performing utilization review that is either affiliated with, under contract with, or acting on behalf of:

(i) A Maryland business entity; or

(ii) A third party that provides or administers hospital benefits to citizens of this State, including:

1. A health maintenance organization issued a certificate of authority in accordance with TITLE 19, Subtitle 7 of [this title] THE HEALTH - GENERAL ARTICLE; or

2. A health insurer, nonprofit health service plan, health insurance service organization, or preferred provider organization authorized to offer health insurance policies or contracts in this State in accordance with [the Insurance Article] THIS ARTICLE; or

(2) Any person or entity including a hospital-affiliated person performing utilization review for the purpose of making claims or payment decisions on behalf of the employer's or labor union's health insurance plan under an employee assistance program for employees other than the employees:

(i) Employed by the hospital; or

(ii) Employed by a business wholly owned by the hospital.

[(g)] (H) "Significant beneficial interest" means the ownership of any financial interest that is greater than the lesser of:

(1) [5 percent] 5% of the whole; or

(2) \$5,000.

(I) "UTILIZATION REVIEW" MEANS A SYSTEM FOR REVIEWING THE APPROPRIATE AND EFFICIENT ALLOCATION OF HEALTH CARE SERVICES GIVEN OR PROPOSED TO BE GIVEN TO A PATIENT OR GROUP OF PATIENTS.

[(h)](J) "Utilization review plan" means a description of the standards governing utilization review activities performed by a private review agent.

[(i)] "Secretary" means the Secretary of Health and Mental Hygiene.

(j) "Commissioner" means the Insurance Commissioner.