

(c) This section does not prohibit a carrier from providing bonuses or other incentive-based compensation to a health care practitioner if the bonus or other incentive-based compensation does not:

- (1) violate § 19-705.1 of the Health - General Article; or
- (2) deter the delivery of medically appropriate care to an enrollee.

(D) (1) A CARRIER THAT COMPENSATES HEALTH CARE PRACTITIONERS WHOLLY OR PARTLY ON A CAPITATED BASIS MAY NOT RETAIN ANY CAPITATED FEE ATTRIBUTABLE TO AN ENROLLEE OR COVERED PERSON DURING AN ENROLLEE'S OR COVERED PERSON'S CONTRACT YEAR.

(2) A CARRIER IS IN COMPLIANCE WITH PARAGRAPH (1) OF THIS SUBSECTION IF, WITHIN 45 DAYS AFTER AN ENROLLEE OR COVERED PERSON CHOOSES OR OBTAINS HEALTH CARE FROM A HEALTH CARE PRACTITIONER, THE CARRIER PAYS TO THE HEALTH CARE PRACTITIONER ALL ACCRUED BUT UNPAID CAPITATED FEES ATTRIBUTABLE TO THAT ENROLLEE OR PERSON THAT THE HEALTH CARE PRACTITIONER WOULD HAVE RECEIVED HAD THE ENROLLEE OR PERSON CHOSEN THE HEALTH CARE PRACTITIONER ~~AT THE TIME OF ENROLLMENT~~ AT THE BEGINNING OF THE ENROLLEE'S OR COVERED PERSON'S CONTRACT YEAR.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1998.

Approved May 12, 1998.

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**CHAPTER 424**

**(House Bill 1162)**

AN ACT concerning

**Health Insurance - Compensation of Health Care Practitioners - Capitated Fees**

FOR the purpose of prohibiting health insurance carriers that compensate health care practitioners on a capitated basis from retaining certain capitated fees; requiring carriers to pay health care practitioners certain capitated fees in a certain manner; and generally relating to compensation of health care practitioners by health insurance carriers on a capitated basis.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 15-113

Annotated Code of Maryland

(1997 Volume)

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