

# SENATE BILL 710

C3

11r1816  
CF HB 444

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By: **Senator Klausmeier**

Introduced and read first time: February 4, 2011

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Provider Panels – Notice of Receipt of Application**

3 FOR the purpose of requiring certain health insurance carriers that receive a complete  
4 application from a health care provider that seeks to participate on a provider  
5 panel of a carrier to notify the health care provider that the application is  
6 complete; requiring notice to be given to a health care provider at a certain  
7 address and within a certain period of time; clarifying certain language; and  
8 generally relating to participation of health care providers on provider panels of  
9 health insurance carriers.

10 BY repealing and reenacting, without amendments,  
11 Article – Insurance  
12 Section 15–112(a)(1), (4), (9), and (10)  
13 Annotated Code of Maryland  
14 (2006 Replacement Volume and 2010 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Insurance  
17 Section 15–112(d)  
18 Annotated Code of Maryland  
19 (2006 Replacement Volume and 2010 Supplement)

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

22 **Article – Insurance**

23 15–112.

24 (a) (1) In this section the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1           (4)   (i)   “Carrier” means:
- 2                           1.    an insurer;
- 3                           2.    a nonprofit health service plan;
- 4                           3.    a health maintenance organization;
- 5                           4.    a dental plan organization; or
- 6                           5.    any other person that provides health benefit plans
- 7 subject to regulation by the State.

8                           (ii)   “Carrier” includes an entity that arranges a provider panel

9 for a carrier.

10           (9)   “Provider” means a health care practitioner or group of health care

11 practitioners licensed, certified, or otherwise authorized by law to provide health care

12 services.

13           (10) (i)   “Provider panel” means the providers that contract either

14 directly or through a subcontracting entity with a carrier to provide health care

15 services to the carrier’s enrollees under the carrier’s health benefit plan.

16                           (ii)   “Provider panel” does not include an arrangement in which

17 any provider may participate solely by contracting with the carrier to provide health

18 care services at a discounted fee-for-service rate.

19           (d)   (1)   A provider that seeks to participate on a provider panel of a carrier

20 shall submit an application to the carrier.

21                           (2)   (i)   Subject to paragraph (3) of this subsection, the carrier, after

22 reviewing the application, shall accept or reject the provider for participation on the

23 carrier’s provider panel.

24                           (ii)   If the carrier rejects the provider for participation on the

25 carrier’s provider panel, the carrier shall send to the provider at the address listed in

26 the application written notice of the rejection.

27           (3)   (i)   [Except as provided in] **SUBJECT TO** paragraph (4) of this

28 subsection, within 30 days after the date a carrier receives a completed application,

29 the carrier shall send to the provider at the address listed in the application written

30 notice of:

31                           1.    the carrier’s intent to continue to process the

32 provider’s application to obtain necessary credentialing information; or



1                   (5)     A carrier may charge a reasonable fee for an application submitted  
2 to the carrier under this section.

3                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 2011.