

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 48

(Chair, Finance Committee)(By Request - Departmental -
Maryland Insurance Administration)

Finance

Health and Government Operations

Health Insurance - Referral to Specialists - Definition of Provider Panel

This departmental bill expands the definition of “provider panel” to include providers that contract with a carrier either directly or through a subcontracting entity to provide health care services to *enrollees of the carrier* rather than *enrollees under the carrier’s health benefit plan*.

Fiscal Summary

State Effect: None. The bill clarifies current law.

Local Effect: None.

Small Business Effect: The Maryland Insurance Administration has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law/Background: Section 15-830 of the Insurance Article requires a carrier that does not allow direct access to specialists to implement specified procedures by which a member may receive a standing referral to a specialist and request a referral to a specialist or nonphysician specialist who is not part of the carrier’s provider panel. “Provider panel” is defined by cross reference to § 15-112(a) of the Insurance Article to mean the providers that contract either directly or through a subcontracting entity with a carrier to provide health care services to the carrier’s enrollees *under the carrier’s health benefit plan*.

The bill removes the cross-reference to § 15-112(a) as it inadvertently limits the scope of the definition to only health benefit plans regulated under the federal Patient Protection and Affordable Care Act (ACA). The statutory scope of § 15-830 is intended to encompass any type of health insurance product that uses a provider panel, including ACA excepted benefits such as stand-alone dental plans and short-term limited duration policies.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management; Maryland Department of Health; Maryland Insurance Administration; Department of Legislative Services

Fiscal Note History: First Reader - January 28, 2019
mm/ljm Third Reader - February 8, 2019

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Health Insurance - Referral to Specialists - Definition of Provider Panel

BILL NUMBER: SB 48

**PREPARED BY:
(Dept./Agency) Maryland Insurance Administration**

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

 X WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

 WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

There is no fiscal impact on small business associated with this legislation.