

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 970 (Delegate Kipke, *et al.*)  
Health and Government Operations

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Health Insurance - Reimbursement of Primary Care Providers - Bonus Payments  
- Applicability

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This bill defines “primary care provider” for purposes of a specified bonus required to be provided by health insurance carriers for care provided evenings, nights, weekends, and holidays. The bill also expands the applicability of the bonus to apply to care provided in the office *or another nonhospital setting*. **The bill takes effect July 1, 2020.**

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Fiscal Summary

**State Effect:** Potential increase in special fund contractual expenditures for the Maryland Insurance Administration in FY 2021 only to the extent health maintenance organization contracts must be reviewed. As there are no filing fees for contracts, revenues are not affected. No likely impact on the State Employee and Retiree Health and Welfare Benefits Program.

**Local Effect:** Expenditures increase for local jurisdictions that purchase fully insured health benefits plans to the extent premiums increase under the bill. Revenues are not affected.

**Small Business Effect:** Meaningful.

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Analysis

**Bill Summary:** “Primary care provider” means an individual who (1) is a licensed physician certified in family practice, internal medicine, or pediatrics or otherwise identified as a provider of primary care in a contract or is a licensed physician assistant or

certified nurse practitioner and (2) provides basic health care or urgent care services, including diagnostic, treatment, consultative, referral, and preventative services.

**Current Law:** An insurer, a nonprofit health service plan, a health maintenance organization, or any other person that provides health benefit plans subject to regulation by the State (collectively carriers) must pay a bonus to primary care providers for services provided in the office after 6 p.m. and before 8 a.m. or on weekends and national holidays. A carrier must provide for and describe the terms of the bonus payment in a separate clause in the carrier's contract with the primary care provider. However, a group model health maintenance organization is not required to make any bonus payments to physicians that are employed by the physician group under contract with the group model health maintenance organization. For purposes of the bonus requirement, "primary care provider" is not defined.

**Small Business Effect:** Additional providers may qualify for a primary care provider bonus payment in their contract.

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** SB 600 (Senator Reilly) - Finance.

**Information Source(s):** Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - February 19, 2020  
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