

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 112

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

Finance

Health and Government Operations

Health Insurance - Health Information - Disclosures Between Carriers

This departmental bill requires an insurer, nonprofit health service plan, health maintenance organization, dental plan organization, or any other person that provides health benefit plans subject to State regulation (collectively known as carriers), on request, to disclose protected health information (PHI) to another carrier for case management and care coordination activities. Disclosure must be provided if (1) both carriers have or had a relationship with the individual for whom PHI is requested; (2) the PHI relates to the relationship; (3) disclosure is limited to PHI in case management and care coordination records of the individual; and (4) the individual has provided the carrier with a specified authorization. Any request for or disclosure of PHI must comply with the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the federal Health Information Technology for Economic and Clinical Health Act of 2009. A carrier must provide the individual access to the records disclosed on request.

Fiscal Summary

State Effect: None.

Local Effect: None.

Small Business Effect: The Maryland Insurance Administration (MIA) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendment to the bill.)

Analysis

Current Law/Background: Under federal HIPAA regulations, a covered entity is *required* to disclose PHI to an individual when requested and when required by the Secretary of Health and Human Services to investigate or determine compliance. A covered entity is *permitted* to use or disclose PHI under additional circumstances, including for treatment, payment, or health care operations (which includes case management and care coordination).

A carrier is not required to disclose PHI to another carrier, even when an individual moves from one carrier to another. MIA advises that mandating disclosure of PHI for case management and care coordination activities is intended to improve the ability of a carrier to manage an individual's course of care.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Health Benefit Exchange; Maryland Insurance Administration; Department of Legislative Services

Fiscal Note History: First Reader - January 8, 2020
rh/ljm Third Reader - March 15, 2020
Revised - Amendment(s) - March 15, 2020

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: **Insurance – Health Information – Disclosures Between Carriers**

BILL NUMBER: SB 112

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

It is not expected that this legislation will have an impact on small business.