

# MedChi

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*The Maryland State Medical Society*

1211 Cathedral Street  
Baltimore, MD 21201-5516  
410.539.0872  
Fax: 410.547.0915

1.800.492.1056

www.medchi.org

TO: The Honorable Thomas M. Middleton, Chairman  
Members, Senate Finance Committee

FROM: Joseph A. Schwartz, III  
Pamela Metz Kasemeyer  
J. Steven Wise

DATE: February 13, 2013

RE: **SUPPORT WITH AMENDMENTS** – Senate Bill 274 – *Maryland Health Progress Act of 2013*

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The Maryland State Medical Society (MedChi), which represents over 7,500 Maryland physicians and their patients, supports Senate Bill 274 with amendments.

Senate Bill 274 is a “final step” in Maryland’s acceptance of the Federal Patient Protection and Affordable Care Act (Affordable Care Act). While many issues are covered in Senate Bill 274 (the integration of Maryland’s MHIP program into the Health Benefit Exchange; the authority to establish a state reinsurance program for high-risk enrollees in and outside of the Exchange; certain Medicaid eligibility provisions, etc.; creation of a Consolidated Service Center for consumer assistance; provisions relating to the SHOP Exchange, etc.), MedChi is principally interested in the so called “continuity of care” provisions of Senate Bill 274. These provisions appear at pages 33-42.

These provisions require a “receiving” insurance carrier or MCO to continue providing care for up to 90-days (page 39, line 14, longer with pregnancy) for a person who has been receiving care from the “relinquishing” carrier or MCO. This 90-day provision has existed for many years in Maryland law for certain health insurance policies but is being extended to all transfers which may occur in the new Exchange. Enrollees may move from Medicaid to an insurance program in the Exchange or to one outside of the Exchange and these provisions will ensure a continuity of care period prior to the “receiving” insurer or MCO being able to question the need for the care.

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However, MedChi has two concerns regarding these continuity of care provisions. First, it does not understand why the provisions are being delayed until January 1, 2015 when the other provisions of the Affordable Care Act will be in effect as of January 1, 2014.

Second, the bill recognizes that an enrollee who is switching carriers may be seeing a doctor who is not in the network of the “receiving” carrier. In that case, the “receiving” carrier will allow the new enrollee to continue to receive health care services being rendered by the treating doctor for up to 90-days (longer for pregnancy). The “receiving” carrier and the non-participating doctor would have to agree on the rates and methods of payment for the doctor services (page 40, line 19 through page 41, line 28). There are two issues which arise with this provision of the bill. What if the non-participating doctor and the “receiving” carrier cannot agree? Further, what happens after the 90-days?

MedChi believes that the bill should clearly state that all provisions of Maryland’s Assignment of Benefits (AOB) law apply to the “Health Benefit Plans” covered by Senate Bill 274. In this way, a patient could continue to see their traditional doctor both during the 90-day period and even after the 90-day period by “assigning” his or her insurance benefit to the doctor in accordance with Maryland law. MedChi believes the continuity of care provisions are a critical part of Senate Bill 274 and, in an ideal world, would extend for more than a 90-day period. The addition of the Assignment of Benefits law to Senate Bill 274 will cure some of that problem.

As currently drafted, Senate Bill 274 incorporates “part” of the AOB law but not that portion of the law that covers normal doctor visits. The addition of the following language at page 40, line 18 after “§14-502.2” will remedy that problem: “AND §14-502.3”

With these two amendments (effective date and Assignment of Benefits), MedChi would encourage a favorable report on Senate Bill 274.

**For more information call:**

Joseph A. Schwartz, III  
Pamela Metz Kasemeyer  
J. Steven Wise  
410-244-7000

cc: Governor's Legislative Office