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TO: The Honorable Peter A. Hammen, Chair
Members, House Health & Government Operations Committee

FROM: Joseph A. Schwartz, III
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DATE: February 27, 2014

RE: **SUPPORT WITH AMENDMENTS** – House Bill 779 – *Maryland Health Care Commission – Health Care Provider-Carrier Workgroup*

The Maryland State Medical Society (MedChi), which represents more than 8,000 Maryland physicians and their patients, supports House Bill 779 with amendments.

House Bill 779 establishes a “workgroup” within the Maryland Health Care Commission (MHCC) composed of health care providers and insurance carrier representatives with the aim of “...resolving disputes on issues over which no state agency has statutory or regulatory authority.” (page 2, lines 12-15). Presumably the Workgroup is designed to “iron out” disputes between the health provider community and the insurance community.

While MedChi is certainly not opposed to such an idea, it is concerned about several issues contained in House Bill 779. First, the “issues” to be presented to the Workgroup will be selected by MHCC staff (page 3, lines 16-18). This means that MHCC staff will have effective veto power over what issues are considered.

Second, MedChi is concerned that the Workgroup will become a proxy for the issues that will be allowed to go forward in the next Session of the General Assembly. MedChi does not believe that the MHCC staff should determine those issues. Indeed, while MHCC staff has, in the past, been helpful in resolving certain issues (statutory rate schedule for non-contracting HMO doctors), it has been Committees of the Legislature who have resolved even bigger issues (assignment of benefits legislation).

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Hence, while MedChi certainly does not oppose House Bill 779, it does not see it as a panacea for resolving differences between doctors and insurance carriers and believes that it may diminish the General Assembly's role in resolving those disputes.

Accordingly, MedChi would support House Bill 779 with amendments limiting MHCC staff authority to select issues and explicit provisions to the effect that the report of any Workgroup to the General Assembly should not be construed to set an agenda for General Assembly consideration in its legislative Session.

For more information call:

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