

HOUSE BILL 1337

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By: **Delegate Woods**

Introduced and read first time: February 9, 2024

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Appeals and Grievances Process – Reporting Requirements**
3 **and Establishment of Workgroup**

4 FOR the purpose of requiring certain carriers to report additional data on members and
5 claims to the Maryland Insurance Commissioner; requiring the Maryland Insurance
6 Administration and the Health Education and Advocacy Unit of the Office of the
7 Attorney General jointly to establish a workgroup to study the appeals and
8 grievances process of health insurance claims and submit a report to the General
9 Assembly on or before a certain date; and generally relating to health insurance and
10 the appeals and grievances process.

11 BY repealing and reenacting, with amendments,
12 Article – Insurance
13 Section 15–10A–06
14 Annotated Code of Maryland
15 (2017 Replacement Volume and 2023 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – Insurance**

19 15–10A–06.

20 (a) On a quarterly basis, each carrier shall submit to the Commissioner, on the
21 form the Commissioner requires, a report that describes:

22 **(1) THE NUMBER OF MEMBERS ENTITLED TO HEALTH CARE BENEFITS**
23 **UNDER A POLICY, PLAN, OR CERTIFICATE ISSUED OR DELIVERED IN THE STATE BY**
24 **THE CARRIER;**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2) THE NUMBER OF CLAIMS FOR REIMBURSEMENT PROCESSED BY THE CARRIER;

[(1)] (3) the activities of the carrier under this subtitle, including:

(i) the outcome of each grievance filed with the carrier;

(ii) the number and outcomes of cases that were considered emergency cases under § 15–10A–02(b)(2)(i) of this subtitle;

(iii) the time within which the carrier made a grievance decision on each emergency case;

(iv) the time within which the carrier made a grievance decision on all other cases that were not considered emergency cases;

(v) the number of grievances filed with the carrier that resulted from an adverse decision involving length of stay for inpatient hospitalization as related to the medical procedure involved; and

(vi) the number of adverse decisions issued by the carrier under § 15–10A–02(f) of this subtitle and the type of service at issue in the adverse decisions; and

[(2)] (4) the number and outcome of all other cases that are not subject to activities of the carrier under this subtitle that resulted from an adverse decision involving the length of stay for inpatient hospitalization as related to the medical procedure involved.

(b) The Commissioner shall:

(1) compile an annual summary report based on the information provided:

(i) under subsection (a) of this section; and

(ii) by the Secretary under § 19–705.2(e) of the Health – General Article; and

(2) provide copies of the summary report to the Governor and, subject to § 2–1257 of the State Government Article, to the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Insurance Administration and the Health Education and Advocacy Unit of the Office of the Attorney General jointly shall establish a workgroup to study the appeals and grievances process for health insurance claims in the State.

(b) The workgroup shall:

1 (1) jointly be chaired by a representative of the Maryland Insurance
2 Administration and a representative of the Health Education and Advocacy Unit of the
3 Office of the Attorney General; and

4 (2) consist of the following members identified by the cochairs:

5 (i) three representatives of consumers of health benefit plans in the
6 State; and

7 (ii) three representatives of health insurance carriers that offer
8 health benefit plans in the State.

9 (c) The workgroup shall study the appeals and grievances process for health
10 insurance claims in Maryland, including whether:

11 (1) the data required to be reported by carriers under § 15–10A–06 of the
12 Insurance Article, as enacted by this Act, and other reporting requirements under federal
13 and State law is duplicative;

14 (2) additional data that is not currently reported by carriers is needed to
15 determine accountability to the State’s appeals and grievances law;

16 (3) the data reported by carriers on appeals and grievances is accessible by
17 consumers and whether accessibility can be improved;

18 (4) consumers are aware of and understand the appeals and grievances
19 process and the actions the Maryland Insurance Administration, the Health Education and
20 Advocacy Unit of the Office of the Attorney General, and carriers can take to improve
21 consumer awareness and understanding; and

22 (5) carriers currently use or have future plans to use artificial intelligence
23 in the appeals and grievances process and how.

24 (d) On or before December 31, 2024, the Maryland Insurance Administration and
25 the Health Education and Advocacy Unit of the Office of the Attorney General jointly shall
26 report the findings and recommendations of the workgroup to the Senate Finance
27 Committee and the House Health and Government Operations Committee, in accordance
28 with § 2–1257 of the State Government Article.

29 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2024.