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BULLETIN 10-32

Date: September 29, 2010

To: Insurers, Nonprofit Health Service Plans, and Health Maintenance Organizations ("Carriers") That Use a Physician Rating System

Re: Regulation of Physician Rating Systems – Subtitle 17 of the Insurance Article

The Maryland Insurance Administration would like to remind carriers who utilize physician rating systems of the requirements of §§ 15-1702 through 15-1704 of the Insurance Article. A "physician rating system" means any program that (1) measures, rates or tiers the performance of physicians under contract with the carrier; and (2) discloses the measures, rates or tiers to enrollees or the public.

Section 15-1702 requires carriers to contract with and pay for a ratings examiner to review their physician rating system, obtain approval by the ratings examiner as of January 1, 2010 and maintain such approval.

Carriers are also required, by § 15-1703, to establish an appeals process for physicians to contest their rating.

Section 15-1704 of the Insurance Article requires carriers to:

- 1) Notify the Commissioner of the results of any final review of a physician rating system conducted by a ratings examiner within 45 calendar days of receipt; and
- 2) Report annually to the Commissioner regarding:
 - a. the number of appeals filed by physicians; and
 - b. the outcome of the appeals.

The Maryland Insurance Administration is required to report to the Governor and General Assembly by December 1 of each year regarding the number and types of appeals that have been filed by physicians and the outcome of the appeals.

Accordingly, carriers are required to file the annual report required under § 15-1704 with Lisa Cuzzo, Director of Policy Development, at the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202 or lcuozzo@mdinsurance.state.md.us on or before November 1 of each year.

Questions about this bulletin may be addressed to Lisa Cuzzo at 410-468-2211.

Signature on file with original

Beth Sammis
Acting Commissioner
Maryland Insurance Administration