

HOUSE BILL 675

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C3

2001 Regular Session  
(11r0386)

**ENROLLED BILL**  
-- Economic Matters/Finance --

Introduced by **Delegate Goldwater**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER 493

1 AN ACT concerning

2 **Health Insurance - Treatment of Morbid Obesity**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, health  
4 maintenance organizations, and managed care organizations, ~~and carriers~~ to  
5 provide coverage ~~for the expenses incurred by certain obese patients for certain~~  
6 ~~surgical treatment under certain circumstances; authorizing certain benefits to~~  
7 ~~be provided through a managed care system; of morbid obesity as recognized by~~  
8 ~~a certain entity; requiring the coverage of morbid obesity to be provided to the~~  
9 ~~same extent as for other medically necessary surgical procedures; defining~~  
10 certain terms; providing for the application of this Act; and generally relating to  
11 coverage of ~~expenses for surgical~~ treatment of morbid obesity under health  
12 insurance.

13 BY adding to  
14 Article - Insurance  
15 Section 15-837  
16 Annotated Code of Maryland

1 (1997 Volume and 2000 Supplement)

2 BY adding to

3 Article - Health - General

4 Section 19-706(rr)

5 Annotated Code of Maryland

6 (2000 Replacement Volume)

7 **Preamble**

8 ~~WHEREAS, Obesity is a significant health problem affecting hundreds of~~  
9 ~~thousands of Maryland residents; and~~

10 ~~WHEREAS, Severe or morbid obesity increases the mortality rate more than~~  
11 ~~threefold, causes physical and emotional disability, is often associated with comorbid~~  
12 ~~conditions compounding its adverse impact on longevity and quality of life, and is~~  
13 ~~amenable to established surgical treatment; and~~

14 ~~WHEREAS, Like other chronic diseases, obesity is caused or aggravated by~~  
15 ~~many factors including genetics, behavior, metabolism, and environment, certain~~  
16 ~~therapeutic interventions can alter its course and severity, and therefore, obesity~~  
17 ~~should be treated for purposes of insurance like other medical conditions; and~~

18 ~~WHEREAS, Health insurance policies commonly exclude coverage for the~~  
19 ~~treatment of obesity, even when severe or morbid and complicated by comorbid~~  
20 ~~conditions; now, therefore,~~

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

23 **Article - Insurance**

24 15-837.

25 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
26 INDICATED.

27 (2) "BODY MASS INDEX" MEANS A PRACTICAL MARKER THAT IS USED TO  
28 ASSESS THE DEGREE OF OBESITY AND IS CALCULATED BY DIVIDING THE WEIGHT IN  
29 KILOGRAMS BY THE HEIGHT IN METERS SQUARED.

30 ~~(3) "MANAGED CARE SYSTEM" MEANS A METHOD THAT AN INSURER,~~  
31 ~~NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION~~  
32 ~~USES TO REVIEW AND PREAUTHORIZE A TREATMENT PLAN THAT A HEALTH CARE~~  
33 ~~PRACTITIONER DEVELOPS FOR A COVERED PERSON USING A VARIETY OF COST~~  
34 ~~CONTAINMENT METHODS TO CONTROL UTILIZATION, QUALITY, AND CLAIMS.~~

35 ~~(4)~~ (3) "MORBID OBESITY" MEANS A BODY MASS INDEX THAT IS:

- 1           (I)       GREATER THAN 40 KILOGRAMS PER METER SQUARED ~~OR; OR~~
- 2           (II)       EQUAL TO OR GREATER THAN 35 KILOGRAMS PER METER  
3 SQUARED WITH COMORBIDITY OR COEXISTING MEDICAL CONDITIONS A COMORBID  
4 MEDICAL CONDITION, INCLUDING HYPERTENSION, A CARDIOPULMONARY  
5 CONDITIONS CARDIOPULMONARY CONDITION, SLEEP APNEA, OR DIABETES.
- 6       (B)       THIS SECTION APPLIES TO:
- 7           (1)       INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE  
8 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS ON AN  
9 EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS  
10 THAT ARE ISSUED OR DELIVERED IN THE STATE;
- 11          (2)       HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE HOSPITAL,  
12 MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER CONTRACTS  
13 THAT ARE ISSUED OR DELIVERED IN THE STATE; AND
- 14          (3)       MANAGED CARE ORGANIZATIONS, AS DEFINED IN § 15-101 OF THE  
15 HEALTH - GENERAL ARTICLE; ~~AND~~
- 16          (4)       ~~CARRIERS THAT OFFER HEALTH BENEFIT PLANS UNDER TITLE 15,~~  
17 ~~SUBTITLE 12 OF THE INSURANCE ARTICLE.~~
- 18       (C)       ~~SUBJECT TO SUBSECTION (E) OF THIS SECTION, AN ENTITY SUBJECT TO~~  
19 ~~THIS SECTION SHALL PROVIDE COVERAGE FOR THE EXPENSES INCURRED BY A~~  
20 ~~PATIENT WITH MORBID OBESITY FOR ESTABLISHED SURGICAL TREATMENT IF:~~  
21 TREATMENT OF MORBID OBESITY THROUGH GASTRIC BYPASS SURGERY OR  
22 ANOTHER SURGICAL METHOD THAT IS:
- 23           (1)       RECOGNIZED BY THE NATIONAL INSTITUTES OF HEALTH AS  
24 EFFECTIVE FOR THE LONG-TERM REVERSAL OF MORBID OBESITY; AND
- 25           (2)       CONSISTENT WITH CRITERIA APPROVED BY THE NATIONAL  
26 INSTITUTES OF HEALTH.
- 27           (1)       ~~ALL NONSURGICAL MEDICAL THERAPIES, AS DETERMINED BY THE~~  
28 ~~PHYSICIAN, HAVE FAILED; AND~~
- 29           (2)       ~~THE BODY MASS INDEX OF THE PATIENT EXCEEDS:~~
- 30           (I)       ~~40 KILOGRAMS PER METER SQUARED; OR~~
- 31           (II)       ~~35 KILOGRAMS PER METER SQUARED IN THE PRESENCE OF~~  
32 ~~HYPERTENSION, DIABETES, HIGH LDL CHOLESTEROL, LOW HDL CHOLESTEROL,~~  
33 ~~HYPERTRIGLYCERIDEMIA, SLEEP APNEA SYNDROME, OSTEOARTHRITIS, OR OTHER~~  
34 ~~MEDICAL CONDITIONS CONSIDERED BY A PHYSICIAN POTENTIALLY REMEDIABLE BY~~  
35 ~~SIGNIFICANT WEIGHT REDUCTION.~~

1 (D) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE THE BENEFITS  
2 REQUIRED UNDER THIS SECTION TO THE SAME EXTENT AS ~~FOR ANY~~ FOR OTHER  
3 ~~MEDICAL CONDITION~~ MEDICALLY NECESSARY SURGICAL PROCEDURES UNDER THE  
4 ENROLLEE'S OR INSURED'S CONTRACT OR POLICY WITH THE ENTITY.

5 ~~(E) AN ENTITY SUBJECT TO THIS SECTION MAY PROVIDE THE BENEFITS~~  
6 ~~REQUIRED UNDER THIS SECTION THROUGH A MANAGED CARE SYSTEM.~~

7 **Article - Health - General**

8 19-706.

9 (RR) THE PROVISIONS OF § 15-837 OF THE INSURANCE ARTICLE APPLY TO  
10 HEALTH MAINTENANCE ORGANIZATIONS.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
12 policies, contracts, and health benefit plans issued, delivered, or renewed in the State  
13 on or after October 1, 2001.

14 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 October 1, 2001.