

HOUSE BILL 198

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CF 01r0440

By: **Delegates Bronrott, Ali, Barkley, Barve, Carr, Dumais, Feldman, Frick, Gilchrist, Gutierrez, Guzzone, Heller, Hixson, Hucker, Kaiser, Kramer, Lee, Manno, Mizeur, Montgomery, Reznik, Rice, Simmons, Taylor, and Waldstreicher**

Introduced and read first time: January 22, 2010
Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Habilitative Services – Required Coverage**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and
4 health maintenance organizations to provide coverage of habilitative services
5 for individuals under a certain age; altering a certain definition; and generally
6 relating to health insurance coverage of habilitative services.

7 BY repealing and reenacting, with amendments,
8 Article – Insurance
9 Section 15–835
10 Annotated Code of Maryland
11 (2006 Replacement Volume and 2009 Supplement)

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

14 **Article – Insurance**

15 15–835.

16 (a) (1) In this section the following words have the meanings indicated.

17 (2) (i) “Congenital or genetic birth defect” means a defect existing
18 at or from birth, including a hereditary defect.

19 (ii) “Congenital or genetic birth defect” includes, but is not
20 limited to:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 1. autism or an autism spectrum disorder; and

2 2. cerebral palsy.

3 (3) “Habilitative services” means services, including occupational
4 therapy, physical therapy, and speech therapy, for the treatment of [a child] AN
5 INDIVIDUAL with a congenital or genetic birth defect to enhance the [child’s]
6 INDIVIDUAL’S ability to function.

7 (4) “Managed care system” means a method that an insurer, a
8 nonprofit health service plan, or a health maintenance organization uses to review and
9 preauthorize a treatment plan that a health care practitioner develops for a covered
10 person using a variety of cost containment methods to control utilization, quality, and
11 claims.

12 (b) This section applies to:

13 (1) insurers and nonprofit health service plans that provide hospital,
14 medical, or surgical benefits to individuals or groups on an expense-incurred basis
15 under health insurance policies or contracts that are issued or delivered in the State;
16 and

17 (2) health maintenance organizations that provide hospital, medical,
18 or surgical benefits to individuals or groups under contracts that are issued or
19 delivered in the State.

20 (c) (1) An entity subject to this section shall provide coverage of
21 habilitative services for [children] INDIVIDUALS under the age of [19] 25 years and
22 may do so through a managed care system.

23 (2) An entity subject to this section is not required to provide
24 reimbursement for habilitative services delivered through early intervention or school
25 services.

26 (d) An entity subject to this section shall provide notice annually to its
27 insureds and enrollees about the coverage required under this section.

28 (e) A determination by an entity subject to this section denying a request for
29 habilitative services or denying payment for habilitative services on the grounds that a
30 condition or disease is not a congenital or genetic birth defect is considered an
31 “adverse decision” under § 15–10A–01 of this title.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 July 1, 2010.