SENATE BILL 504

C3 EMERGENCY BILL 4lr2490
CF HB 693

By: **Senator Kelley**
Introduced and read first time: January 29, 2014
Assigned to: Finance

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 13, 2014

CHAPTER _____

AN ACT concerning

Health Insurance – Essential Health Benefits – Pediatric Dental Benefits

FOR the purpose of requiring the Maryland Health Benefit Exchange to certify stand–alone dental plans for sale outside the Exchange; requiring a stand–alone dental plan to be reviewed and approved by the Maryland Insurance Administration as meeting certain requirements to be certified for sale outside the Exchange; providing for a certain exception to the authority of the Exchange to take certain actions relating to certification of certain plans; authorizing the Exchange to deny, suspend, or revoke the certification of a stand–alone dental plan for sale outside the Exchange under certain circumstances; providing that a health benefit plan offered by a health insurance carrier outside the ~~Maryland Health Benefit~~ Exchange to individuals or small employers is not required to include certain pediatric dental benefits under certain circumstances; repealing a requirement that the Exchange and the Maryland Insurance Administration conduct a certain study and report the findings and recommendations to the Governor and the General Assembly; defining certain terms; making this Act an emergency measure; and generally relating to health benefit plans offered outside the Maryland Health Benefit Exchange.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 31–115(a) and (k)(1) and 31–116(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.
Underlining indicates amendments to bill.
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

BY adding to
Article – Insurance
Section 31–115(l) and 31–116(f)
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

BY repealing
Chapter 159 of the Acts of the General Assembly of 2013
Section 8

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

Article – Insurance

31–115.

(a) The Exchange shall certify:

(1) health benefit plans as qualified health plans;

(2) dental plans as qualified dental plans, which may be offered by carriers as:

(i) stand–alone dental plans; or

(ii) dental plans sold in conjunction with or as an endorsement to qualified health plans; **[**and**]**

(3) vision plans as qualified vision plans, which may be offered by carriers as:

(i) stand–alone vision plans; or

(ii) vision plans sold in conjunction with or as an endorsement to qualified health plans**; AND**

(4) STAND–ALONE DENTAL PLANS FOR SALE OUTSIDE THE EXCHANGE.

(k) (1) Subject to the contested case hearing provisions of Title 10, Subtitle 2 of the State Government Article, and subsection (f) of this section, **AND EXCEPT AS PROVIDED IN SUBSECTION (L)(2) OF THIS SECTION,** the Exchange may deny certification to a health benefit plan, a dental plan, or a vision plan, or suspend or revoke the certification of a qualified plan, based on a finding that the health

benefit plan, dental plan, vision plan, or qualified plan does not satisfy requirements or has otherwise violated standards for certification that are:

(i) established under the regulations and interim policies adopted by the Exchange to carry out this title; and

(ii) not otherwise under the regulatory and enforcement authority of the Commissioner.

(L) (1) TO BE CERTIFIED FOR SALE OUTSIDE THE EXCHANGE, A STAND–ALONE DENTAL PLAN SHALL BE REVIEWED AND APPROVED BY THE ADMINISTRATION AS MEETING APPROPRIATE REQUIREMENTS, INCLUDING:

(I) COVERING THE STATE BENCHMARK PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS;

(II) COMPLYING WITH ANNUAL LIMITS AND LIFETIME LIMITS APPLICABLE TO ESSENTIAL HEALTH BENEFITS;

(III) COMPLYING WITH ANNUAL LIMITS ON COST SHARING APPLICABLE TO STAND–ALONE DENTAL PLANS UNDER 45 C.F.R. § 156.150; AND

(IV) MEETING THE SAME ACTUARIAL VALUE REQUIREMENT FOR THE PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS THAT IS REQUIRED FOR A QUALIFIED DENTAL PLAN.

(2) SUBJECT TO THE CONTESTED CASE HEARING PROVISIONS OF TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE, THE EXCHANGE MAY DENY, SUSPEND, OR REVOKE THE CERTIFICATION OF A STAND–ALONE DENTAL PLAN FOR SALE OUTSIDE THE EXCHANGE IF THE STAND–ALONE DENTAL PLAN DOES NOT SATISFY THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION.

31–116.

(a) The essential health benefits required under § 1302(a) of the Affordable Care Act:

(1) shall be the benefits in the State benchmark plan, selected in accordance with this section; and

(2) notwithstanding any other benefits mandated by State law, shall be the benefits required in:

(i) **SUBJECT TO SUBSECTION (F) OF THIS SECTION,** all individual health benefit plans and health benefit plans offered to small employers, except for grandfathered health plans, as defined in the Affordable Care Act, offered outside the Exchange; and

(ii) subject to § 31–115(c) of this title, all qualified health plans offered in the Exchange.

(F) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) "EXCHANGE CERTIFIED STAND–ALONE DENTAL PLAN" MEANS A STAND–ALONE DENTAL PLAN THAT HAS BEEN CERTIFIED BY THE EXCHANGE FOR SALE OUTSIDE THE EXCHANGE UNDER § 31–115 OF THIS TITLE.

(III) "PURCHASER" MEANS:

1. WITH RESPECT TO AN INDIVIDUAL HEALTH BENEFIT PLAN, THE INDIVIDUAL APPLYING FOR COVERAGE; AND

2. WITH RESPECT TO A SMALL GROUP HEALTH BENEFIT PLAN, THE EMPLOYER APPLYING FOR COVERAGE.

(2) TO THE EXTENT PERMITTED UNDER FEDERAL LAW, A HEALTH BENEFIT PLAN OFFERED OUTSIDE THE EXCHANGE TO INDIVIDUALS OR SMALL EMPLOYERS IS NOT REQUIRED TO PROVIDE ~~ESSENTIAL~~ PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS IF:

~~(1)~~ (I) AT THE TIME THE CARRIER OFFERS THE HEALTH BENEFIT PLAN, THE CARRIER DISCLOSES IN A FORM APPROVED BY THE COMMISSIONER THAT THE HEALTH BENEFIT PLAN DOES NOT PROVIDE THE FULL RANGE OF ~~ESSENTIAL~~ PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS; AND

~~(2)~~ (II) THE CARRIER IS REASONABLY ASSURED THAT THE ENROLLEE HAS OBTAINED FULL COVERAGE OF ~~ESSENTIAL~~ PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS THROUGH ~~A QUALIFIED~~ AN EXCHANGE CERTIFIED STAND–ALONE DENTAL PLAN.

(3) A CARRIER SHALL:

(I) DISCLOSE TO A POTENTIAL PURCHASER, FOR THOSE HEALTH BENEFIT PLANS SOLD OUTSIDE THE EXCHANGE THAT DO NOT PROVIDE THE PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS, THAT THE PLAN DOES NOT INCLUDE THE PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS; AND

(II) FOR THOSE HEALTH BENEFIT PLANS SOLD OUTSIDE THE EXCHANGE THAT DO NOT PROVIDE THE PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS, INCLUDE ON ITS APPLICATION COMPLETED BY A PURCHASER THE FOLLOWING:

"HAVE YOU OBTAINED STAND–ALONE DENTAL COVERAGE THAT PROVIDES PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS THROUGH A MARYLAND HEALTH BENEFIT EXCHANGE CERTIFIED STAND–ALONE DENTAL PLAN OFFERED OUTSIDE THE MARYLAND HEALTH BENEFIT EXCHANGE?

YES ____ NO ____

IF YOU ANSWERED "YES", PLEASE PROVIDE THE NAME OF THE COMPANY ISSUING THE STAND–ALONE DENTAL COVERAGE.

IF YOU ANSWERED "NO", YOU WILL BE ISSUED A HEALTH BENEFIT PLAN THAT INCLUDES THE PEDIATRIC DENTAL ESSENTIAL HEALTH BENEFITS."

(4) THE ADMINISTRATION SHALL PLACE ON ITS WEB SITE A LIST OF THE EXCHANGE CERTIFIED STAND–ALONE DENTAL PLANS IN THE STATE.

Chapter 159 of the Acts of 2013

[SECTION 8. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Health Benefit Exchange and the Maryland Insurance Administration shall:

(1) conduct a study of the impact of federal regulations governing the manner in which pediatric dental benefits must be offered and purchased inside and outside the Maryland Health Benefit Exchange, including:

(i) their effect on the affordability and accessibility of pediatric dental benefits; and

(ii) their effect on children's access to dental care; and

(2) assess the options that may be available to the State to address any adverse consequences of the manner in which pediatric dental benefits must be offered and purchased under the federal regulations.

(b) On or before December 1, 2014, the Maryland Health Benefit Exchange and the Maryland Insurance Administration shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on the findings of the study and any recommendations for further legislative action.**]**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.