

SENATE BILL 297

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By: **Senator Madaleno**

Introduced and read first time: January 22, 2016

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Habilitative Services – Period of Time for Coverage**

3 FOR the purpose of extending until the end of a certain month the period of time during
4 which certain health insurers, nonprofit health service plans, and health
5 maintenance organizations are required to provide coverage of certain habilitative
6 services for insureds and enrollees who are children; repealing a provision of law
7 stating that a certain determination by a certain entity is considered an adverse
8 decision for certain purposes; altering a certain definition; repealing a certain
9 definition; providing for the application of this Act; and generally relating to health
10 insurance coverage for habilitative services.

11 BY repealing and reenacting, with amendments,
12 Article – Insurance
13 Section 15–835
14 Annotated Code of Maryland
15 (2011 Replacement Volume and 2015 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 15–835.

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

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

- 3 1. autism or an autism spectrum disorder;
- 4 2. cerebral palsy;
- 5 3. intellectual disability;
- 6 4. Down syndrome;
- 7 5. spina bifida;
- 8 6. hydroencephalocele; and
- 9 7. congenital or genetic developmental disabilities.

10 **(3) (2)** “Habilitative services” means services **AND DEVICES**, including
11 occupational therapy, physical therapy, and speech therapy, [for the treatment of a child
12 with a congenital or genetic birth defect to enhance the child’s ability to function] **THAT**
13 **HELP A CHILD KEEP, LEARN, OR IMPROVE SKILLS AND FUNCTIONING FOR DAILY**
14 **LIVING.**

15 **[(4) (3)]** “Managed care system” means a method that an insurer, a nonprofit
16 health service plan, or a health maintenance organization uses to review and preauthorize
17 a treatment plan that a health care practitioner develops for a covered person using a
18 variety of cost containment methods to control utilization, quality, and claims.

19 (b) This section applies to:

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

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

26 (c) (1) An entity subject to this section:

27 **(I)** shall provide coverage of habilitative services for **INSUREDS**
28 **AND ENROLLEES WHO ARE** children [under the age of 19 years] **UNTIL AT LEAST THE**
29 **END OF THE MONTH IN WHICH THE INSURED OR ENROLLEE TURNS 19 YEARS OLD;**
30 and

31 **(II)** may do so through a managed care system.

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

4 (d) An entity subject to this section shall provide notice annually to its insureds
5 and enrollees about the coverage required under this section:

6 (1) in print; and

7 (2) on its Web site.

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

12 (f) Beginning November 1, 2013, a determination by an entity subject to this
13 section of whether habilitative services covered under this section are medically necessary
14 and appropriate to treat autism and autism spectrum disorders shall be made in accordance
15 with regulations adopted by the Commissioner.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
17 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or
18 after October 1, 2016.

19 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2016.