
By: Delegate Donoghue

Introduced and read first time: February 15, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Mothers and Newborns - Minimum Length of Stay and Utilization**
3 **Review**

4 FOR the purpose of requiring certain health insurers, nonprofit health service plans, and
5 health maintenance organizations to provide inpatient hospitalization coverage for
6 a mother and newborn child for a certain minimum length of time under certain
7 circumstances; providing a certain exception; prohibiting a health insurer, nonprofit
8 health service plan, and health maintenance organization from impairing the
9 participation of certain physicians in providing health care services under certain
10 circumstances; requiring private review agents and health maintenance
11 organizations to authorize a certain minimum length of inpatient hospitalization for
12 a mother and newborn child under certain circumstances; requiring a private review
13 agent or health maintenance organization to provide an appeal of a certain adverse
14 decision on an expedited basis under certain circumstances; specifying the manner
15 of the expedited appeal; defining a certain term; and generally relating to requiring
16 certain health insurers, nonprofit health service plans, and health maintenance
17 organizations to provide a certain minimum length of inpatient hospitalization for a
18 mother and newborn child and requiring private review agents and health
19 maintenance organizations to authorize a certain minimum length of inpatient
20 hospitalization for a mother and newborn child under certain circumstances.

21 BY adding to

22 Article 48A - Insurance Code
23 Section 490FF
24 Annotated Code of Maryland
25 (1994 Replacement Volume and 1995 Supplement)

26 BY repealing and reenacting, with amendments,

27 Article - Health - General
28 Section 19-706(i) and 19-1305.4
29 Annotated Code of Maryland
30 (1990 Replacement Volume and 1995 Supplement)

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

2

1 **Article 48A - Insurance Code**

2 490FF.

3 (A) IN THIS SECTION, "ATTENDING PHYSICIAN" MEANS AN OBSTETRICIAN,
4 PEDIATRICIAN, OR OTHER PHYSICIAN ATTENDING THE MOTHER OR NEWBORN
5 CHILD.

6 (B) AN INSURER OR NONPROFIT HEALTH SERVICE PLAN THAT PROVIDES
7 INPATIENT HOSPITALIZATION COVERAGE TO ANY GROUP OR INDIVIDUAL ON AN
8 EXPENSE-INCURRED BASIS UNDER A HEALTH INSURANCE CONTRACT OR POLICY
9 ISSUED OR DELIVERED IN THE STATE, INCLUDING A HEALTH MAINTENANCE
10 ORGANIZATION, SHALL PROVIDE COVERAGE FOR THE COST OF INPATIENT
11 HOSPITALIZATION SERVICES FOR A MOTHER AND NEWBORN CHILD FOR A
12 MINIMUM OF:

13 (1) 48 HOURS OF INPATIENT HOSPITALIZATION CARE FOLLOWING A
14 VAGINAL DELIVERY; AND

15 (2) 96 HOURS OF INPATIENT HOSPITALIZATION CARE FOLLOWING A
16 CESAREAN SECTION.

17 (C) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH
18 MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR POST-DELIVERY
19 CARE FOR A MOTHER AND NEWBORN CHILD IS NOT REQUIRED TO PROVIDE THE
20 MINIMUM COVERAGE REQUIRED UNDER SUBSECTION (B) OF THIS SECTION UNLESS
21 THE ATTENDING PHYSICIAN, CONSISTENT WITH THE CRITERIA OUTLINED IN THE
22 MOST CURRENT VERSION OF THE "GUIDELINES FOR PERINATAL CARE" PREPARED
23 BY THE AMERICAN ACADEMY OF PEDIATRICS AND THE AMERICAN COLLEGE OF
24 OBSTETRICIANS AND GYNECOLOGISTS, DETERMINES THAT THE INPATIENT
25 HOSPITALIZATION COVERAGE REQUIRED UNDER SUBSECTION (B) OF THIS SECTION
26 IS NECESSARY.

27 (D) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH
28 MAINTENANCE ORGANIZATION MAY NOT DENY, LIMIT, OR OTHERWISE IMPAIR THE
29 PARTICIPATION OF AN ATTENDING PHYSICIAN UNDER CONTRACT WITH THE
30 INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE
31 ORGANIZATION IN PROVIDING HEALTH CARE SERVICES TO ENROLLEES OR
32 INSUREDS FOR:

33 (1) ADVOCATING THE INTEREST OF A MOTHER AND NEWBORN CHILD
34 THROUGH THE INSURER'S, NONPROFIT HEALTH SERVICE PLAN'S OR HEALTH
35 MAINTENANCE ORGANIZATION'S UTILIZATION REVIEW OR APPEALS SYSTEM; OR

36 (2) THE PHYSICIAN'S INPATIENT HOSPITALIZATION OF MOTHERS AND
37 NEWBORNS IN ACCORDANCE WITH THIS SECTION.

38 **Article - Health - General**

39 19-706.

40 (i) The provisions of Article 48A, §§ 490U, 490AA, 490CC, [and] 490DD, AND
41 490FF of the Code shall apply to health maintenance organizations.

1 19-1305.4.

2 (A) IN THIS SECTION, "ATTENDING PHYSICIAN" MEANS AN OBSTETRICIAN,
3 PEDIATRICIAN, OR OTHER PHYSICIAN ATTENDING THE MOTHER OR NEWBORN
4 CHILD.

5 [(a)] (B) Except as provided in [subsection (b)] SUBSECTIONS (C) AND(D) of
6 this section, the criteria and standards used by a private review agent or health
7 maintenance organization in performing utilization review of hospital services related to
8 maternity and newborn care, including length of stay, shall be in accordance with the
9 medical criteria outlined in the most current version of the "Guidelines for Perinatal
10 Care" prepared by the American Academy of Pediatrics and the American College of
11 Obstetricians and Gynecologists.

12 (C) SUBJECT TO THE PROVISIONS OF SUBSECTION (D) OF THIS SECTION, A
13 PRIVATE REVIEW AGENT OR HEALTH MAINTENANCE ORGANIZATION PERFORMING
14 UTILIZATION REVIEW OF HOSPITAL SERVICES RELATED TO MATERNITY AND
15 NEWBORN CARE SHALL AUTHORIZE A MINIMUM COVERAGE OF:

16 (1) 48 HOURS OF INPATIENT HOSPITALIZATION CARE FOLLOWING A
17 VAGINAL DELIVERY; AND

18 (2) 96 HOURS OF INPATIENT HOSPITALIZATION CARE FOLLOWING A
19 CESAREAN SECTION.

20 [(b)] (D) A private review agent or health maintenance organization may
21 authorize a shorter length of hospital stay for services related to maternity and newborn
22 care REQUIRED UNDER SUBSECTION (C) OF THIS SECTION [provided the newborn
23 meets the criteria for medical stability in the "Guidelines for Perinatal Care" and] IF the
24 private review agent or health maintenance organization authorizes for the mother and
25 child an initial postpartum home visit which would include the collection of an adequate
26 sample for the hereditary and metabolic newborn screening, when indicated, UNLESS
27 THE ATTENDING PHYSICIAN, CONSISTENT WITH THE CRITERIA OUTLINED IN THE
28 MOST CURRENT VERSION OF THE "GUIDELINES FOR PERINATAL CARE",
29 DETERMINES THAT THE INPATIENT HOSPITALIZATION LENGTH OF STAY REQUIRED
30 UNDER SUBSECTION (C) OF THIS SECTION IS NECESSARY.

31 (E) (1) IF A PRIVATE REVIEW AGENT OR HEALTH MAINTENANCE
32 ORGANIZATION RENDERS AN ADVERSE DECISION AND THE ATTENDING PHYSICIAN
33 BELIEVES THAT THE DECISION WARRANTS AN IMMEDIATE APPEAL, THE
34 ATTENDING PHYSICIAN SHALL HAVE THE OPPORTUNITY TO APPEAL THE ADVERSE
35 DECISION BY TELEPHONE ON AN EXPEDITED BASIS.

36 (2) AN EXPEDITED APPEAL SHALL CONSIST OF AN IMMEDIATE AND
37 TIMELY REVIEW BETWEEN THE ATTENDING PHYSICIAN AND THE PRIVATE REVIEW
38 AGENT OR THE MEDICAL DIRECTOR OF THE HEALTH MAINTENANCE
39 ORGANIZATION OR A PHYSICIAN AUTHORIZED TO ACT ON BEHALF OF THE HEALTH
40 MAINTENANCE ORGANIZATION IN THE ABSENCE OF THE MEDICAL DIRECTOR.

41 (3) IF A DECISION REGARDING THE EXPEDITED APPEAL IS NOT
42 RENDERED IN SUFFICIENT TIME TO ALLOW THE MOTHER AND THE NEWBORN
43 CHILD THE BENEFITS UNDER SUBSECTION (C) OF THIS SECTION, THE PRIVATE

HOUSE BILL 1271

4
1 REVIEW AGENT OR THE HEALTH MAINTENANCE ORGANIZATION MAY NOT RENDER
2 AN ADVERSE DECISION.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 1996.