
By: ~~Delegate Donoghue~~ Delegates Donoghue, Doory, Goldwater, Krysiak, Workman, McKee, Poole, Hecht, Snodgrass, Stup, Brinkley, Stull, Getty, Stocksdale, DeCarlo, Minnick, Mohorovic, Klausmeier, E. Burns, Edwards, Nathan-Pulliam, Finifter, Frank, Bobo, Pendergrass, Turner, Faulkner, Cryor, Shriver, Kopp, Kagan, Grosfeld, Hurson, Heller, Petzold, Hixson, Frush, Menes, Rosapepe, Healey, Palumbo, Conroy, Hubbard, Pitkin, Benson, Exum, Slade, Howard, Muse, Valderrama, Proctor, Vallario, Hutchins, Cadden, Love, Rzepkowski, Perry, Bonsack, Jacobs, Preis, Fry, Rudolph, W. Baker, Walkup, Eckardt, Bozman, Conway, Ciliberti, Marriott, Boston, Oaks, Rosenberg, Curran, Montague, Kirk, C. Mitchell, Branch, Harrison, Dypski, Hammen, Opara, Kach, Elliott, Flanagan, Crumlin, Busch, Gordon, V. Mitchell, Kelly, Barve, and Cummings

Introduced and read first time: February 15, 1996

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 15, 1996

CHAPTER _____

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, private review agent, and health maintenance organization from
9 impairing the participation of certain physicians in providing health care services
10 under certain circumstances; requiring private review agents and health
11 maintenance organizations to authorize a certain minimum length of inpatient
12 hospitalization for a mother and newborn child under certain circumstances;
13 ~~requiring a private review agent or health maintenance organization to provide an~~
14 ~~appeal of a certain adverse decision on an expedited basis under certain~~
15 ~~circumstances; specifying the manner of the expedited appeal~~ requiring certain
16 home visits under certain circumstances; defining a certain term; and generally
17 relating to requiring certain health insurers, nonprofit health service plans, and
18 health maintenance organizations to provide a certain minimum length of inpatient

2
1 hospitalization for a mother and newborn child and requiring private review agents
2 and health maintenance organizations to authorize a certain minimum length of
3 inpatient hospitalization for a mother and newborn child under certain
4 circumstances.

5 BY repealing and reenacting, with amendments,
6 Article 48A - Insurance Code
7 Section 354F, 470H, and 477-I
8 Annotated Code of Maryland
9 (1994 Replacement Volume and 1995 Supplement)

10 BY adding to
11 Article 48A - Insurance Code
12 Section 490FF
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 1995 Supplement)

15 BY adding to
16 Article - Health - General
17 Section 19-703(g)
18 Annotated Code of Maryland
19 (1990 Replacement Volume and 1995 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article - Health - General
22 Section 19-706(i) and 19-1305.4
23 Annotated Code of Maryland
24 (1990 Replacement Volume and 1995 Supplement)

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

27 **Article 48A - Insurance Code**

28 354F.

29 (A) Every nonprofit health insurer who issues or delivers a health insurance policy
30 to any person in this State under which any hospitalization benefits are provided for
31 normal pregnancy shall provide those benefits for the cost of hospitalization for childbirth
32 to the same extent as the hospitalization benefit provided in the policy for any covered
33 illness. [This provision may not be construed, however, to require any insurer to provide
34 benefits for pregnancy or childbirth in any policy.]

35 (B) (1) IN ADDITION TO THE PROVISIONS OF § 490FF OF THIS ARTICLE AND
36 SUBSECTION (A) OF THIS SECTION, WHENEVER A MOTHER IS REQUIRED TO REMAIN
37 HOSPITALIZED AFTER CHILDBIRTH FOR MEDICAL REASONS AND THE MOTHER
38 REQUESTS THAT THE NEWBORN REMAIN IN THE HOSPITAL, A NONPROFIT HEALTH

3

1 SERVICE PLAN SHALL PAY THE COST OF ADDITIONAL HOSPITALIZATION FOR THE
2 NEWBORN FOR UP TO 4 DAYS.

3 (2) THE ATTENDING PHYSICIAN OR CERTIFIED NURSE MIDWIFE OF THE
4 MOTHER, OR THE DESIGNEE OF THE ATTENDING PHYSICIAN OR CERTIFIED NURSE
5 MIDWIFE, SHALL PROVIDE NOTICE TO THE MOTHER OF THE PROVISIONS OF
6 PARAGRAPH (1) OF THIS SUBSECTION.

7 470H.

8 (A) Every insurer who issues or delivers an individual health insurance policy to
9 any person in this State under which any hospitalization benefits are provided for normal
10 pregnancy shall provide those benefits for the cost of hospitalization for childbirth to the
11 same extent as the hospitalization benefit provided in the policy for any covered illness.
12 [This provision may not be construed, however, to require any insurer to provide benefits
13 for pregnancy or childbirth in any policy.]

14 (B) (1) IN ADDITION TO THE PROVISIONS OF § 490FF OF THIS ARTICLE AND
15 SUBSECTION (A) OF THIS SECTION, WHENEVER A MOTHER IS REQUIRED TO REMAIN
16 HOSPITALIZED AFTER CHILDBIRTH FOR MEDICAL REASONS AND THE MOTHER
17 REQUESTS THAT THE NEWBORN REMAIN IN THE HOSPITAL, AN INSURER SHALL PAY
18 THE COST OF ADDITIONAL HOSPITALIZATION FOR THE NEWBORN FOR UP TO 4
19 DAYS.

20 (2) THE ATTENDING PHYSICIAN OR CERTIFIED NURSE MIDWIFE OF THE
21 MOTHER, OR THE DESIGNEE OF THE ATTENDING PHYSICIAN OR CERTIFIED NURSE
22 MIDWIFE, SHALL PROVIDE NOTICE TO THE MOTHER OF THE PROVISIONS OF
23 PARAGRAPH (1) OF THIS SUBSECTION.

24 477-I.

25 (A) Every insurer who issues or delivers a group or blanket health insurance policy
26 under which any hospitalization benefits are provided for normal pregnancy shall provide
27 those benefits for the cost of hospitalization for childbirth to the same extent as the
28 hospitalization benefit provided in the policy for any covered illness.[This provision may
29 not be construed, however, to require any insurer to provide benefits for pregnancy or
30 childbirth in any policy.]

31 (B) (1) IN ADDITION TO THE PROVISIONS OF § 490FF OF THIS ARTICLE AND
32 SUBSECTION (A) OF THIS SECTION, WHENEVER A MOTHER IS REQUIRED TO REMAIN
33 HOSPITALIZED AFTER CHILDBIRTH FOR MEDICAL REASONS AND THE MOTHER
34 REQUESTS THAT THE NEWBORN REMAIN IN THE HOSPITAL, AN INSURER SHALL PAY
35 THE COST OF ADDITIONAL HOSPITALIZATION FOR THE NEWBORN FOR UP TO 4
36 DAYS.

37 (2) THE ATTENDING PHYSICIAN OR CERTIFIED NURSE MIDWIFE OF THE
38 MOTHER, OR THE DESIGNEE OF THE ATTENDING PHYSICIAN OR CERTIFIED NURSE
39 MIDWIFE, SHALL PROVIDE NOTICE TO THE MOTHER OF THE PROVISIONS OF
40 PARAGRAPH (1) OF THIS SUBSECTION.

4

1 490FF.

2 (A) IN THIS SECTION, "ATTENDING ~~PHYSICIAN PROVIDER~~" MEANS AN
3 OBSTETRICIAN, PEDIATRICIAN, OR OTHER PHYSICIAN OR CERTIFIED NURSE
4 MIDWIFE OR PEDIATRIC NURSE PRACTITIONER ATTENDING THE MOTHER OR
5 NEWBORN 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 AN UNCOMPLICATED VAGINAL DELIVERY; AND

15 (2) 96 HOURS OF INPATIENT HOSPITALIZATION CARE FOLLOWING ~~A~~
16 AN UNCOMPLICATED 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 (C) (1) A MOTHER MAY REQUEST A SHORTER LENGTH OF STAY THAN THAT
28 PROVIDED IN SUBSECTION (B) OF THIS SECTION IF SHE DECIDES, IN CONSULTATION
29 WITH HER ATTENDING PROVIDER, THAT LESS TIME IS NEEDED FOR RECOVERY.

30 (2) FOR A MOTHER AND NEWBORN CHILD WHO HAVE A HOSPITAL STAY
31 SHORTER IN LENGTH THAN THAT PROVIDED UNDER SUBSECTION (B) OF THIS
32 SECTION, THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH
33 MAINTENANCE ORGANIZATION SHALL PROVIDE COVERAGE FOR AT LEAST ONE
34 HOME VISIT:

35 (I) IN ACCORDANCE WITH GENERALLY ACCEPTED STANDARDS
36 OF NURSING PRACTICE FOR HOME CARE OF A MOTHER AND NEWBORN CHILD; AND

37 (II) BY A REGISTERED NURSE WITH AT LEAST 1 YEAR OF
38 EXPERIENCE IN MATERNAL AND CHILD HEALTH NURSING OR IN COMMUNITY
39 HEALTH NURSING WITH AN EMPHASIS ON MATERNAL AND CHILD HEALTH.

40 (3) THE HOME VISIT PROVIDED UNDER PARAGRAPH (2) OF THIS
41 SUBSECTION:

1 (I) SHALL BE SCHEDULED TO OCCUR WITHIN 24 HOURS AFTER
2 HOSPITAL DISCHARGE; AND

3 (II) SHALL INCLUDE ANY SERVICES REQUIRED BY THE
4 ATTENDING PROVIDER.

5 (D) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH
6 MAINTENANCE ORGANIZATION MAY NOT DENY, LIMIT, OR OTHERWISE IMPAIR THE
7 PARTICIPATION OF AN ATTENDING PHYSICIAN UNDER CONTRACT WITH THE
8 INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE
9 ORGANIZATION IN PROVIDING HEALTH CARE SERVICES TO ENROLLEES OR
10 INSUREDS FOR:

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

14 ~~(2) THE PHYSICIAN'S INPATIENT HOSPITALIZATION OF MOTHERS AND~~
15 ~~NEWBORNS IN ACCORDANCE WITH THIS SECTION~~ ADVOCATING MORE THAN 48
16 HOURS OF INPATIENT HOSPITAL CARE FOLLOWING A COMPLICATED VAGINAL
17 DELIVERY OR MORE THAN 96 HOURS OF INPATIENT HOSPITAL CARE FOLLOWING A
18 COMPLICATED CESAREAN SECTION.

19 (E) THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH
20 MAINTENANCE ORGANIZATION MAY NOT IMPOSE A COPAYMENT OR COINSURANCE
21 REQUIREMENT OR DEDUCTIBLE FOR COVERAGE REQUIRED UNDER SUBSECTION
22 (C)(2) OF THIS SECTION OR REFUSE REIMBURSEMENT IF THE SERVICES DO NOT
23 OCCUR WITHIN THE TIME SPECIFIED.

24 (F) THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH
25 MAINTENANCE ORGANIZATION SHALL PROVIDE NOTICE TO INSUREDS AND
26 ENROLLEES REGARDING THE COVERAGE PROVIDED BY THIS SECTION.

27 **Article - Health - General**

28 19-703.

29 (G) (1) IN ADDITION TO THE REQUIREMENTS OF §§ 19-706(I) AND 19-1305.4
30 OF THIS TITLE, WHENEVER A MOTHER IS REQUIRED TO REMAIN HOSPITALIZED
31 AFTER CHILDBIRTH FOR MEDICAL REASONS AND THE MOTHER REQUESTS THAT
32 THE NEWBORN REMAIN IN THE HOSPITAL, A HEALTH MAINTENANCE
33 ORGANIZATION SHALL PROVIDE AS PART OF ITS HOSPITALIZATION SERVICES
34 PROVIDED TO MEMBERS AND SUBSCRIBERS PAYMENT FOR THE COST OF
35 ADDITIONAL HOSPITALIZATION FOR THE NEWBORN FOR UP TO 4 DAYS.

36 (2) THE ATTENDING PHYSICIAN OR CERTIFIED NURSE MIDWIFE OF THE
37 MOTHER, OR THE DESIGNEE OF THE ATTENDING PHYSICIAN OR CERTIFIED NURSE
38 MIDWIFE, SHALL PROVIDE NOTICE TO THE MOTHER OF THE PROVISIONS OF
39 PARAGRAPH (1) OF THIS SUBSECTION.

6

1 19-706.

2 (i) The provisions of Article 48A, §§ 490U, 490AA, 490CC, [and] 490DD, AND
3 490FF of the Code shall apply to health maintenance organizations.

4 19-1305.4.

5 (A) IN THIS SECTION, "ATTENDING ~~PHYSICIAN PROVIDER~~" MEANS AN
6 OBSTETRICIAN, PEDIATRICIAN, OR OTHER PHYSICIAN OR CERTIFIED NURSE
7 MIDWIFE OR PEDIATRIC NURSE PRACTITIONER ATTENDING THE MOTHER OR
8 NEWBORN CHILD.

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

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

20 (1) 48 HOURS OF INPATIENT HOSPITALIZATION CARE FOLLOWING ~~A~~
21 AN UNCOMPLICATED VAGINAL DELIVERY; AND

22 (2) 96 HOURS OF INPATIENT HOSPITALIZATION CARE FOLLOWING ~~A~~
23 AN UNCOMPLICATED CESAREAN SECTION.

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

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

40 ~~(2) AN EXPEDITED APPEAL SHALL CONSIST OF AN IMMEDIATE AND~~
41 ~~TIMELY REVIEW BETWEEN THE ATTENDING PHYSICIAN AND THE PRIVATE REVIEW~~
42 ~~AGENT OR THE MEDICAL DIRECTOR OF THE HEALTH MAINTENANCE~~

~~1 ORGANIZATION OR A PHYSICIAN AUTHORIZED TO ACT ON BEHALF OF THE HEALTH
2 MAINTENANCE ORGANIZATION IN THE ABSENCE OF THE MEDICAL DIRECTOR.~~

~~3 (3) IF A DECISION REGARDING THE EXPEDITED APPEAL IS NOT
4 RENDERED IN SUFFICIENT TIME TO ALLOW THE MOTHER AND THE NEWBORN
5 CHILD THE BENEFITS UNDER SUBSECTION (C) OF THIS SECTION, THE PRIVATE
6 REVIEW AGENT OR THE HEALTH MAINTENANCE ORGANIZATION MAY NOT RENDER
7 AN ADVERSE DECISION.~~

8 (D) (1) THE PRIVATE REVIEW AGENT OR HEALTH MAINTENANCE
9 ORGANIZATION MAY AUTHORIZE A SHORTER LENGTH OF STAY THAN THAT
10 PROVIDED IN SUBSECTION (C) OF THIS SECTION IF THE MOTHER, IN CONSULTATION
11 WITH HER ATTENDING PROVIDER, DECIDES THAT LESS TIME IS NEEDED FOR
12 RECOVERY.

13 (2) FOR A MOTHER AND NEWBORN CHILD WHO HAVE A HOSPITAL STAY
14 SHORTER IN LENGTH THAN THAT PROVIDED UNDER SUBSECTION (C) OF THIS
15 SECTION, THE PRIVATE REVIEW AGENT OR HEALTH MAINTENANCE ORGANIZATION
16 PERFORMING UTILIZATION REVIEW SHALL AUTHORIZE AT LEAST ONE HOME VISIT:

17 (I) IN ACCORDANCE WITH GENERALLY ACCEPTED STANDARDS
18 OF NURSING PRACTICE FOR HOME CARE OF A MOTHER AND NEWBORN CHILD; AND

19 (II) BY A REGISTERED NURSE WITH AT LEAST 1 YEAR OF
20 EXPERIENCE IN MATERNAL AND CHILD HEALTH NURSING OR IN COMMUNITY
21 HEALTH NURSING WITH AN EMPHASIS ON MATERNAL AND CHILD HEALTH.

22 (3) THE HOME VISIT PROVIDED UNDER PARAGRAPH (2) OF THIS
23 SUBSECTION:

24 (I) SHALL BE SCHEDULED TO OCCUR WITHIN 24 HOURS AFTER
25 HOSPITAL DISCHARGE; AND

26 (II) SHALL INCLUDE ANY SERVICES REQUIRED BY THE
27 ATTENDING PROVIDER.

28 (E) (1) THE PRIVATE REVIEW AGENT OR HEALTH MAINTENANCE
29 ORGANIZATION MAY NOT REQUIRE ADDITIONAL DOCUMENTATION FROM,
30 REQUIRE ADDITIONAL UTILIZATION REVIEW OF, OR OTHERWISE PROVIDE
31 FINANCIAL DISINCENTIVES FOR AN ATTENDING PROVIDER WHO ORDERS CARE
32 CONSISTENT WITH THE TERMS OF THIS SECTION OR WITH THE TERMS OF § 19-703 OF
33 THIS ARTICLE OR ARTICLE 48A, §§ 354F, 470H, OR 477-I RELATED TO
34 HOSPITALIZATION OF A NEWBORN.

35 (2) THE PRIVATE REVIEW AGENT, HOSPITAL, OR HEALTH
36 MAINTENANCE ORGANIZATION MAY NOT DENY, LIMIT, OR OTHERWISE IMPAIR THE
37 PARTICIPATION OF AN ATTENDING PROVIDER UNDER A CONTRACT OR ANY
38 PRIVILEGE GRANTED AN ATTENDING PROVIDER WHO ADVOCATES MORE THAN 48
39 HOURS OF INPATIENT HOSPITAL CARE FOLLOWING A COMPLICATED VAGINAL
40 DELIVERY OR MORE THAN 96 HOURS OF INPATIENT HOSPITAL CARE FOLLOWING A
41 COMPLICATED CESAREAN SECTION.

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