
By: Senator Hollinger

Introduced and read first time: January 17, 1997

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Treatment Guidelines and Protocols - Length of Inpatient**
3 **Hospitalization Coverage**

4 FOR the purpose of prohibiting certain insurers, nonprofit health service plans, and
5 health maintenance organizations under certain circumstances from denying
6 inpatient hospitalization coverage for a longer length of stay whenever the reduction
7 of the length of inpatient hospitalization is based on certain treatment protocols or
8 guidelines.

9 BY adding to

10 Article - Insurance
11 Section 15-508
12 Annotated Code of Maryland
13 (1995 Volume and 1996 Supplement)
14 (As enacted by Chapter _____ (H.B. 11) of the Acts of the General Assembly of 1997)

15 BY adding to

16 Article - Health - General
17 Section 19-706(n)
18 Annotated Code of Maryland
19 (1996 Replacement Volume and 1996 Supplement)

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

22 **Article - Insurance**

23 15-508.

24 (A) THIS SECTION APPLIES TO:

25 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE
26 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS ON AN
27 EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES THAT ARE ISSUED
28 OR DELIVERED IN THE STATE; AND

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1 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE HOSPITAL,
2 MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER
3 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

4 (B) WHENEVER A TREATMENT GUIDELINE OR PROTOCOL THAT IS NOT A
5 GENERALLY ACCEPTED NATIONAL STANDARD OF CARE IS THE SOLE BASIS FOR
6 REDUCING THE LENGTH OF INPATIENT HOSPITALIZATION STAY FOR A PARTICULAR
7 MEDICAL OR SURGICAL PROCEDURE, AN ENTITY SUBJECT TO THIS SECTION MAY
8 NOT DENY INPATIENT HOSPITALIZATION COVERAGE FOR A LONGER LENGTH OF
9 STAY THAN THAT TO WHICH AN ENROLLEE OR INSURED IS OTHERWISE ENTITLED
10 UNDER THE CONTRACT OR POLICY IF THE INSURED'S OR ENROLLEE'S ATTENDING
11 PHYSICIAN HAS DETERMINED THAT A LONGER LENGTH OF INPATIENT
12 HOSPITALIZATION STAY IS MEDICALLY NECESSARY FOR RECOVERY.

13 **Article - Health - General**

14 19-706.

15 (N) THE PROVISIONS OF § 15-508 OF THE INSURANCE ARTICLE SHALL APPLY
16 TO HEALTH MAINTENANCE ORGANIZATIONS.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 1997.