

SENATE BILL 335

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1998 Regular Session  
8r1836  
CF 8r0423

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By: **Senators Dorman, Hollinger, Van Hollen, Teitelbaum, Sfikas, Forehand,  
Pinsky, and Kelley**

Introduced and read first time: February 5, 1998

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 1998

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Benefit Plans - Coverage for Prescription Contraceptive Drugs or**  
3 **Devices**

4 FOR the purpose of requiring certain insurers, nonprofit health service plans, and  
5 health maintenance organizations to provide coverage under certain  
6 circumstances for contraceptive drugs or devices approved by the United States  
7 Food and Drug Administration for use as contraceptives; providing for an  
8 exception from the requirements of this Act; and imposing a certain limitation  
9 on administration of the coverage.

10 BY adding to

11 Article - Insurance

12 Section 15-826

13 Annotated Code of Maryland

14 (1997 Volume)

15 BY repealing and reenacting, with amendments,

16 Article - Health - General

17 Section 19-706(i)

18 Annotated Code of Maryland

19 (1996 Replacement Volume and 1997 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

21 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Insurance**

2 15-826.

3 (A) THIS SECTION APPLIES TO:

4 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE  
5 COVERAGE FOR DRUGS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS THAT  
6 ARE ISSUED OR DELIVERED IN THE STATE; AND7 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE COVERAGE  
8 FOR DRUGS UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE;  
9 AND.10 (3) ~~HEALTH INSURANCE CONTRACTS OR POLICIES THAT PROVIDE  
11 COVERAGE FOR DRUGS AND THAT ARE ISSUED TO SMALL EMPLOYERS UNDER  
12 SUBTITLE 12 OF THIS TITLE.~~

13 (B) AN ENTITY SUBJECT TO THIS SECTION:

14 (1) SHALL PROVIDE COVERAGE FOR ANY CONTRACEPTIVE DRUG OR  
15 DEVICE THAT IS APPROVED BY THE UNITED STATES FOOD AND DRUG  
16 ADMINISTRATION FOR USE AS A CONTRACEPTIVE AND THAT IS OBTAINED UNDER A  
17 PRESCRIPTION WRITTEN BY AN AUTHORIZED PRESCRIBER AS DEFINED IN § 12-101  
18 OF THE HEALTH OCCUPATIONS ARTICLE;19 (2) SHALL PROVIDE COVERAGE FOR THE INSERTION AND ANY  
20 MEDICALLY NECESSARY EXAMINATION ASSOCIATED WITH THE USE OF SUCH  
21 CONTRACEPTIVE DRUG OR DEVICE; AND22 (3) MAY NOT IMPOSE A DIFFERENT COPAYMENT OR COINSURANCE FOR  
23 A CONTRACEPTIVE DRUG OR DEVICE THAN IS IMPOSED FOR ANY OTHER  
24 PRESCRIPTION.25 (C) (1) A RELIGIOUS ORGANIZATION MAY REQUEST AND AN INSURER,  
26 NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION  
27 SHALL GRANT THE REQUEST FOR AN EXCEPTION FROM THE COVERAGE REQUIRED  
28 UNDER SUBSECTION (B) OF THIS SECTION IF THE REQUIRED COVERAGE CONFLICTS  
29 WITH THE RELIGIOUS ORGANIZATION'S BONA FIDE RELIGIOUS BELIEFS AND  
30 PRACTICES.31 (2) A RELIGIOUS ORGANIZATION THAT OBTAINS AN EXCEPTION FROM  
32 THE REQUIRED COVERAGE SHALL PROVIDE ITS EMPLOYEES REASONABLE AND  
33 TIMELY NOTICE OF THIS EXCEPTION.34 (3) THE PREMIUM RATE FOR THE POLICY OR CONTRACT OF THE  
35 INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE  
36 ORGANIZATION MAY NOT BE AFFECTED BY THE RELIGIOUS ORGANIZATION'S  
37 EXCEPTION FROM THE REQUIRED COVERAGE.

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**Article - Health - General**

2 19-706.

3 (i) The provisions of §§ 15-105, 15-112, 15-113, 15-804, [and], 15-812 AND  
4 15-826 of the Insurance Article shall apply to health maintenance organizations.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
6 policies and health benefit plans issued, delivered, or renewed in the State on or after  
7 October 1, 1998.

8 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 1998.