

HOUSE BILL 6

Unofficial Copy
C3

2000 Regular Session
(01r0818)

ENROLLED BILL

-- Economic Matters/Finance --

Introduced by **Delegates Hurson, Taylor, Dewberry, Arnick, Busch, Guns, Harrison, Hixson, Howard, Kopp, Menes, Montague, Owings, Rawlings, Rosenberg, Vallario, and Wood Wood, W. Baker, Barkley, Bobo, Bronrott, Brown, Cadden, Cane, Clagett, Conroy, DeCarlo, Doory, Dypski, Finifter, Franchot, Frush, Giannetti, Goldwater, Griffith, Hammen, Healey, Hecht, Hubers, James, V. Jones, Krysiak, Love, Malone, Mandel, Marriott, McHale, McIntosh, Moe, Morhaim, Nathan-Pulliam, Patterson, Pendergrass, Petzold, Pitkin, Proctor, Rosso, Sophocleus, Stern, Turner, Valderrama, Weir, and Zirkin**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance - Coverage for ~~Rehabilitation~~ Habilitative Services for**
3 **Children**

4 FOR the purpose of ~~prohibiting certain health insurers, nonprofit health service~~
5 ~~plans, and health maintenance organizations that provide certain coverage for~~
6 ~~rehabilitation for certain children from denying certain coverage for certain~~
7 ~~reasons~~ requiring certain health insurers, nonprofit health service plans, and
8 health maintenance organizations to provide certain coverage of habilitative
9 services for certain children; specifying that certain habilitative services do not

1 ~~have to be covered by certain entities~~; requiring certain health insurers,
 2 nonprofit health service plans, and health maintenance organizations to provide
 3 notice of certain coverage to its insureds and enrollees; ~~providing for the effect of~~
 4 ~~this Act defining certain terms~~; requiring the Maryland Health Care
 5 Commission to submit a certain report to the House Economic Matters
 6 Committee and the Senate Finance Committee on or before a certain date;
 7 providing for the application of this Act; and generally relating to coverage ~~for~~
 8 ~~rehabilitation of habilitative services~~ for children by health insurers, nonprofit
 9 health service plans, and health maintenance organizations.

10 BY adding to

11 Article - Insurance
 12 Section 15-835
 13 Annotated Code of Maryland
 14 (1997 Volume and 1999 Supplement)

15 BY adding to

16 Article - Health - General
 17 Section 19-706(nn)
 18 Annotated Code of Maryland
 19 (1996 Replacement Volume and 1999 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 15-835.

24 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
 25 INDICATED.

26 (2) "HABILITATIVE SERVICES" MEANS SERVICES, INCLUDING
 27 OCCUPATIONAL THERAPY, PHYSICAL THERAPY, AND SPEECH THERAPY, FOR THE
 28 TREATMENT OF A CHILD WITH CONGENITAL AND GENETIC BIRTH DEFECTS TO
 29 ENHANCE THE CHILD'S ABILITY TO FUNCTION.

30 (3) "MANAGED CARE SYSTEM" MEANS A METHOD THAT AN INSURER, A
 31 NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION
 32 USES TO REVIEW AND PREAUTHORIZE A TREATMENT PLAN THAT A HEALTH CARE
 33 PRACTITIONER DEVELOPS FOR A COVERED PERSON USING A VARIETY OF COST
 34 CONTAINMENT METHODS TO CONTROL UTILIZATION, QUALITY, AND CLAIMS.

35 (A) (B) THIS SECTION APPLIES TO:

36 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE
 37 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS ON AN

1 EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS
2 THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

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

6 ~~(B) AN ENTITY SUBJECT TO THIS SECTION THAT PROVIDES COVERAGE FOR
7 REHABILITATION FOR A CHILD WHO IS COVERED THROUGH AN INSURED OR
8 ENROLLED PARENT OF THE CHILD MAY NOT REFUSE TO PROVIDE THAT COVERAGE
9 BECAUSE THE REHABILITATION IS NEEDED AS A RESULT OF A CONDITION THAT WAS
10 PRESENT WHEN THE CHILD WAS BORN.~~

11 (C) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE
12 OF HABILITATIVE SERVICES FOR CHILDREN UNDER THE AGE OF 19 YEARS AND MAY
13 DO SO THROUGH A MANAGED CARE SYSTEM.

14 (2) AN ENTITY SUBJECT TO THIS SECTION IS NOT REQUIRED TO
15 PROVIDE REIMBURSEMENT FOR HABILITATIVE SERVICES DELIVERED THROUGH
16 EARLY INTERVENTION OR SCHOOL SERVICES.

17 ~~(C) THIS SECTION DOES NOT PROHIBIT AN ENTITY SUBJECT TO THIS SECTION
18 FROM PROVIDING COVERAGES THAT ARE GREATER OR MORE FAVORABLE TO A
19 CHILD OF AN INSURED OR ENROLLEE THAN THE COVERAGE REQUIRED UNDER THIS
20 SECTION.~~

21 (D) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE NOTICE
22 ANNUALLY TO ITS INSUREDS AND ENROLLEES ABOUT THE COVERAGE REQUIRED
23 UNDER THIS SECTION.

24 **Article - Health - General**

25 19-706.

26 (NN) THE PROVISIONS OF § 15-835 OF THE INSURANCE ARTICLE SHALL APPLY
27 TO HEALTH MAINTENANCE ORGANIZATIONS.

28 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December
29 31, 2000, the Maryland Health Care Commission, in accordance with § 2-1246 of the
30 State Government Article, shall submit to the House Economic Matters Committee
31 and the Senate Finance Committee a report detailing the financial, medical, and
32 social impact of the coverage required under this Act.

33 SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall apply
34 applies to all policies, contracts, and health benefit plans issued, delivered, or
35 renewed in the State on or after October 1, 2000. Any policy, contract, or health
36 benefit plan in effect before October 1, 2000, shall comply with the provisions of this
37 Act by October 1, 2001.

1 SECTION ~~3.~~4. AND BE IT FURTHER ENACTED, That this Act shall take
2 effect October 1, 2000.