
By: **Delegate Hurson**
Introduced and read first time: February 11, 2000
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Discrimination - Specified Diseases or Diagnoses**

3 FOR the purpose of prohibiting certain insurers, nonprofit health service plans, and
4 health maintenance organizations from making benefits for treatment of a
5 certain disease or diagnosis subject to different copayment amounts,
6 coinsurance, deductibles, or certain maximum limits than those that apply to all
7 other diseases; and generally relating to discrimination in health insurance by
8 insurers, nonprofit health service plans, and health maintenance organizations.

9 BY adding to
10 Article - Insurance
11 Section 27-913
12 Annotated Code of Maryland
13 (1997 Volume and 1999 Supplement)

14 BY adding to
15 Article - Health - General
16 Section 19-706(nn)
17 Annotated Code of Maryland
18 (1996 Replacement Volume and 1999 Supplement)

19 Preamble

20 WHEREAS, Insurers, nonprofit health service plans, and health maintenance
21 organizations may attempt in a discriminatory manner to make benefits for
22 treatment of specified diseases or diagnoses subject to different copayments,
23 coinsurance, deductibles, and annual and lifetime maximum limits; and

24 WHEREAS, The practice of the Maryland Insurance Administration is not to
25 discriminate against specified diseases or diagnoses under health insurance policies
26 and contracts issued or delivered in the State; and

1 WHEREAS, It is the intent of this Act to codify existing practice of the Maryland
2 Insurance Administration regarding discrimination against specified diseases and
3 diagnoses; now, therefore,

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

6 **Article - Insurance**

7 27-913.

8 (A) THIS SECTION APPLIES TO:

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

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

16 (B) AN ENTITY SUBJECT TO THIS SECTION MAY NOT MAKE BENEFITS UNDER
17 A POLICY OR CONTRACT ISSUED OR DELIVERED BY THE ENTITY IN THE STATE FOR
18 THE TREATMENT OF A SPECIFIED DISEASE OR DIAGNOSIS SUBJECT TO DIFFERENT
19 COPAYMENT AMOUNTS, COINSURANCE, DEDUCTIBLES, ANNUAL MAXIMUM LIMITS,
20 OR LIFETIME MAXIMUM LIMITS THAN THOSE THAT APPLY TO ALL OTHER DISEASES
21 COVERED UNDER THE POLICY OR CONTRACT.

22 **Article - Health - General**

23 19-706.

24 (NN) THE PROVISIONS OF § 27-913 OF THE INSURANCE ARTICLE APPLY TO
25 HEALTH MAINTENANCE ORGANIZATIONS.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2000.