
By: **Delegate K. Kelly**

Introduced and read first time: February 2, 2001

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Coverage for Durable Medical Equipment**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and
4 health maintenance organizations to provide coverage for medically necessary
5 durable medical equipment under certain circumstances; authorizing an
6 insurer, nonprofit health service plan, or health maintenance organization to
7 impose certain deductibles or coinsurance requirements under certain
8 circumstances; providing for the application of this Act; and generally relating to
9 coverage for durable medical equipment by health insurers, nonprofit health
10 service plans, and health maintenance organizations.

11 BY adding to

12 Article - Insurance

13 Section 15-837

14 Annotated Code of Maryland

15 (1997 Volume and 2000 Supplement)

16 BY adding to

17 Article - Health - General

18 Section 19-706(rr)

19 Annotated Code of Maryland

20 (2000 Replacement Volume)

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

23 **Article - Insurance**

24 15-837.

25 (A) THIS SECTION APPLIES TO:

26 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE
27 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 SHALL PROVIDE COVERAGE FOR
7 MEDICALLY NECESSARY DURABLE MEDICAL EQUIPMENT THAT IS PRESCRIBED BY A
8 PHYSICIAN FOR AN INSURED OR ENROLLEE.

9 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE COVERAGE
10 REQUIRED UNDER THIS SECTION MAY BE SUBJECT TO THE ANNUAL DEDUCTIBLES
11 OR COINSURANCE REQUIREMENTS IMPOSED BY AN ENTITY SUBJECT TO THIS
12 SECTION FOR SIMILAR COVERAGES UNDER THE SAME HEALTH INSURANCE POLICY
13 OR CONTRACT.

14 (2) THE ANNUAL DEDUCTIBLES OR COINSURANCE REQUIREMENTS
15 IMPOSED UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR THE COVERAGE
16 REQUIRED UNDER THIS SECTION MAY NOT BE GREATER THAN THE ANNUAL
17 DEDUCTIBLES OR COINSURANCE REQUIREMENTS IMPOSED BY THE ENTITY FOR
18 SIMILAR COVERAGES.

19 **Article - Health - General**

20 19-706.

21 (RR) THE PROVISIONS OF § 15-837 OF THE INSURANCE ARTICLE APPLY TO
22 HEALTH MAINTENANCE ORGANIZATIONS.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act applies to all
24 policies, contracts, and health benefit plans issued, delivered, or renewed in the State
25 on or after October 1, 2001.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2001.