

SENATE BILL 522

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SB 496/00 - FIN

2001 Regular Session  
11r0385  
CF 11r0386

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By: ~~Senators Hoffman and Hollinger~~, **Hollinger, Bromwell, Dorman, Astle,  
DeGrange, Della, Exum, Hafer, Hooper, Kelley, Roesser, and Teitelbaum**

Introduced and read first time: February 2, 2001

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance - Treatment of Morbid Obesity**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, health  
4 maintenance organizations, and managed care organizations, ~~and carriers to~~  
5 provide coverage ~~for the expenses incurred by certain obese patients for certain~~  
6 surgical treatment ~~under certain circumstances; authorizing certain benefits to~~  
7 ~~be provided through a managed care system; of morbid obesity; requiring the~~  
8 coverage of morbid obesity to be provided to the same extent as for other  
9 medically necessary surgical procedures; defining certain terms; providing for  
10 the application of this Act; and generally relating to coverage of ~~expenses for~~  
11 surgical treatment of morbid obesity under health insurance.

12 BY adding to

13 Article - Insurance

14 Section 15-837

15 Annotated Code of Maryland

16 (1997 Volume and 2000 Supplement)

17 BY adding to

18 Article - Health - General

19 Section 19-706(rr)

20 Annotated Code of Maryland

21 (2000 Replacement Volume)

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## Preamble

2 WHEREAS, Obesity is a significant health problem affecting hundreds of  
3 thousands of Maryland residents; and

4 WHEREAS, Severe or morbid obesity increases the mortality rate more than  
5 threefold, causes physical and emotional disability, is often associated with comorbid  
6 conditions compounding its adverse impact on longevity and quality of life, and is  
7 amenable to established surgical treatment; and

8 WHEREAS, Like other chronic diseases, obesity is caused or aggravated by  
9 many factors including genetics, behavior, metabolism, and environment, certain  
10 therapeutic interventions can alter its course and severity, and therefore, obesity  
11 should be treated for purposes of insurance like other medical conditions; and

12 WHEREAS, Health insurance policies commonly exclude coverage for the  
13 treatment of obesity, even when severe or morbid and complicated by comorbid  
14 conditions; now, therefore,

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

17

**Article - Insurance**

18 15-837.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
20 INDICATED.

21 (2) "BODY MASS INDEX" MEANS A PRACTICAL MARKER THAT IS USED TO  
22 ASSESS THE DEGREE OF OBESITY AND IS CALCULATED BY DIVIDING THE WEIGHT IN  
23 KILOGRAMS BY THE HEIGHT IN METERS SQUARED.

24 ~~(3) "MANAGED CARE SYSTEM" MEANS A METHOD THAT AN INSURER,~~  
25 ~~NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION~~  
26 ~~USES TO REVIEW AND PREAUTHORIZE A TREATMENT PLAN THAT A HEALTH CARE~~  
27 ~~PRACTITIONER DEVELOPS FOR A COVERED PERSON USING A VARIETY OF COST~~  
28 ~~CONTAINMENT METHODS TO CONTROL UTILIZATION, QUALITY, AND CLAIMS.~~

29 ~~(4)~~ (3) "MORBID OBESITY" MEANS A BODY MASS INDEX THAT IS:

30 (I) GREATER THAN 40 KILOGRAMS PER METER SQUARED; OR

31 (II) EQUAL TO OR GREATER THAN 35 KILOGRAMS PER METER  
32 SQUARED WITH COMORBIDITY OR COEXISTING MEDICAL CONDITIONS, INCLUDING  
33 HYPERTENSION, CARDIOPULMONARY CONDITIONS, SLEEP APNEA, OR DIABETES.

34 (B) THIS SECTION APPLIES TO:

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

5 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE HOSPITAL,  
6 MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER CONTRACTS  
7 THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

8 (3) MANAGED CARE ORGANIZATIONS, AS DEFINED IN § 15-101 OF THE  
9 HEALTH - GENERAL ARTICLE; ~~AND~~

10 (4) ~~CARRIERS THAT OFFER HEALTH BENEFIT PLANS UNDER TITLE 15,~~  
11 ~~SUBTITLE 12 OF THE INSURANCE ARTICLE.~~

12 (C) ~~SUBJECT TO SUBSECTION (E) OF THIS SECTION,~~ AN ENTITY SUBJECT TO  
13 THIS SECTION SHALL PROVIDE COVERAGE FOR THE ~~EXPENSES INCURRED BY A~~  
14 ~~PATIENT WITH MORBID OBESITY FOR ESTABLISHED SURGICAL TREATMENT IF:~~  
15 TREATMENT OF MORBID OBESITY THROUGH GASTRIC BYPASS SURGERY OR  
16 ANOTHER SURGICAL METHOD THAT IS:

17 (1) RECOGNIZED BY THE NATIONAL INSTITUTES OF HEALTH AS  
18 EFFECTIVE FOR THE LONG-TERM REVERSAL OF MORBID OBESITY; AND

19 (2) CONSISTENT WITH CRITERIA APPROVED BY THE NATIONAL  
20 INSTITUTES OF HEALTH.

21 (4) ~~ALL NONSURGICAL MEDICAL THERAPIES, AS DETERMINED BY THE~~  
22 ~~PHYSICIAN, HAVE FAILED; AND~~

23 (2) ~~THE BODY MASS INDEX OF THE PATIENT EXCEEDS:~~

24 (I) ~~40 KILOGRAMS PER METER SQUARED; OR~~

25 (II) ~~35 KILOGRAMS PER METER SQUARED IN THE PRESENCE OF~~  
26 ~~HYPERTENSION, DIABETES, HIGH LDL CHOLESTEROL, LOW HDL CHOLESTEROL,~~  
27 ~~HYPERTRIGLYCERIDEMIA, SLEEP APNEA SYNDROME, OSTEOARTHRITIS, OR OTHER~~  
28 ~~MEDICAL CONDITIONS CONSIDERED BY A PHYSICIAN POTENTIALLY REMEDIABLE BY~~  
29 ~~SIGNIFICANT WEIGHT REDUCTION.~~

30 (D) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE THE BENEFITS  
31 REQUIRED UNDER THIS SECTION TO THE SAME EXTENT AS FOR ~~ANY~~ OTHER  
32 MEDICAL CONDITION MEDICALLY NECESSARY SURGICAL PROCEDURES UNDER THE  
33 ENROLLEE'S OR INSURED'S CONTRACT OR POLICY WITH THE ENTITY.

34 (E) ~~AN ENTITY SUBJECT TO THIS SECTION MAY PROVIDE THE BENEFITS~~  
35 ~~REQUIRED UNDER THIS SECTION THROUGH A MANAGED CARE SYSTEM.~~

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**Article - Health - General**

2 19-706.

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

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
6 policies, contracts, and health benefit plans issued, delivered, or renewed in the State  
7 on or after October 1, 2001.

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