

SENATE BILL 615

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C3

2001 Regular Session  
11r2186  
CF 11r1245

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By: **Senators Hollinger, Collins, Conway, Dorman, Exum, Ferguson, Haines, Kelley, Lawlah, Pinsky, and ~~Teitelbaum~~ Teitelbaum, Bromwell, Astle, DeGrange, Della, Hafer, Hooper, and Roesser**

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 22, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance - Hearing Aids - Coverage for Children**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and  
4 health maintenance organizations to provide coverage for hearing aids for minor  
5 children under certain circumstances; ~~requiring certain notice to insureds and~~  
6 ~~providers in certain routine communications; prohibiting an entity from~~  
7 ~~penalizing an insured or provider for additional payments made; authorizing a~~  
8 ~~certain limitation on the benefit payable under this Act; authorizing an insured~~  
9 ~~or enrolled individual to choose a hearing aid that is priced higher than a certain~~  
10 ~~benefit amount and to pay the difference between the price of the hearing aid~~  
11 ~~and the benefit amount, without financial or contractual penalty to the provider~~  
12 ~~of the hearing aid;~~ defining a certain term; providing for the application of this  
13 Act; and generally relating to requiring health insurance coverage for hearing  
14 aids for children.

15 BY adding to  
16 Article - Insurance  
17 Section 15-837  
18 Annotated Code of Maryland  
19 (1997 Volume and 2000 Supplement)

20 BY adding to  
21 Article - Health - General  
22 Section 19-706(rr)  
23 Annotated Code of Maryland

1 (2000 Replacement Volume)

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

4 **Article - Insurance**

5 15-837.

6 (A) IN THIS SECTION, "HEARING AID" MEANS A DEVICE THAT:

7 (1) IS OF A DESIGN AND CIRCUITRY TO OPTIMIZE AUDIBILITY AND  
8 LISTENING SKILLS IN THE ENVIRONMENT COMMONLY EXPERIENCED BY CHILDREN;  
9 AND

10 (2) MEETS OR EXCEEDS THE FOLLOWING STANDARDS -- ~~MULTIPLE~~  
11 ~~BAND, WIDE DYNAMIC RANGE COMPRESSION, AND DIRECT AUDIO INPUT~~  
12 ~~COMPATIBILITY NONDISPOSABLE, NONPROGRAMMABLE, OR PROGRAMMABLE~~  
13 SINGLE MEMORY ANALOG HEARING AID.

14 (B) THIS SECTION APPLIES TO:

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

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

22 (C) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE  
23 FOR HEARING AIDS FOR A MINOR CHILD WHO IS COVERED ~~THROUGH AN INSURED OR~~  
24 ~~ENROLLED PARENT OF THE CHILD~~ UNDER A POLICY OR CONTRACT IF THE HEARING  
25 ~~AID IS~~ AIDS ARE PRESCRIBED, FITTED, AND DISPENSED BY A LICENSED  
26 AUDIOLOGIST PURSUANT TO FEDERAL LAW.

27 (2) (I) AN ENTITY SUBJECT TO THIS SECTION ~~SHALL PROVIDE~~  
28 ~~COVERAGE THAT INCLUDES PAYMENT FOR THE COST OF ONE HEARING AID FOR~~  
29 ~~EACH HEARING IMPAIRED EAR IN AN AMOUNT OF NOT MORE THAN \$1,400 PER~~  
30 ~~HEARING AID EVERY 36 MONTHS MAY LIMIT THE BENEFIT PAYABLE UNDER~~  
31 PARAGRAPH (1) OF THIS SUBSECTION TO \$1,400 PER HEARING AID FOR EACH  
32 HEARING-IMPAIRED EAR EVERY 36 MONTHS.

33 (II) ~~AN ENTITY THAT PAYS THE DIFFERENCE IN COST ABOVE THE~~  
34 ~~\$1,400 LIMIT SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL PAY THE~~  
35 ~~DIFFERENCE WITHOUT FINANCIAL OR CONTRACTUAL PENALTY TO THE INSURED OR~~  
36 ~~THE PROVIDER OF THE HEARING AID~~ AN INSURED OR ENROLLED INDIVIDUAL MAY  
37 CHOOSE A HEARING AID THAT IS PRICED HIGHER THAN THE BENEFIT PAYABLE  
38 UNDER THIS SUBSECTION AND MAY PAY THE DIFFERENCE BETWEEN THE PRICE OF

1 THE HEARING AID AND THE BENEFIT PAYABLE UNDER THIS SUBSECTION, WITHOUT  
2 FINANCIAL OR CONTRACTUAL PENALTY TO THE PROVIDER OF THE HEARING AID.

3 (D) THIS SECTION DOES NOT PROHIBIT AN ENTITY SUBJECT TO THIS SECTION  
4 FROM PROVIDING COVERAGES THAT ARE GREATER THAN OR MORE FAVORABLE TO A  
5 CHILD OF AN INSURED OR ENROLLEE THAN THE COVERAGE REQUIRED UNDER THIS  
6 SECTION.

7 ~~(E) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE NOTICE OF THIS~~  
8 ~~BENEFIT IN ROUTINE COMMUNICATIONS TO ITS MEMBERS AND PROVIDERS.~~

9 **Article - Health - General**

10 19-706.

11 (RR) THE REQUIREMENTS OF § 15-837 OF THE INSURANCE ARTICLE APPLY TO  
12 HEALTH MAINTENANCE ORGANIZATIONS.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
14 policies, contracts, and health benefit plans issued, delivered, or renewed in the State  
15 on or after October 1, 2001. Any policy, contract, or health benefit plan in effect before  
16 October 1, 2001, shall comply with the provisions of this Act no later than October 1,  
17 2002.

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