
By: **Delegates Rosenberg, Love, Goldwater, McHale, Pendergrass, Eckardt,
and Krysiak**

Introduced and read first time: February 8, 2002

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Mental Illness - Coverage for Residential Crisis Services**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and
4 health maintenance organizations to provide coverage for residential crisis
5 services for an insured or enrollee with a mental illness under certain
6 circumstances; defining a certain term; providing for the application of this Act;
7 and generally relating to coverage for residential crisis services under health
8 insurance.

9 BY adding to
10 Article - Insurance
11 Section 15-840
12 Annotated Code of Maryland
13 (1997 Volume and 2001 Supplement)

14 BY adding to
15 Article - Health - General
16 Section 19-706(ww)
17 Annotated Code of Maryland
18 (2000 Replacement Volume and 2001 Supplement)

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

21 **Article - Insurance**

22 15-840.

23 (A) IN THIS SECTION, "RESIDENTIAL CRISIS SERVICES" MEANS INTENSIVE
24 MENTAL HEALTH AND SUPPORT SERVICES THAT ARE:

25 (1) PROVIDED TO A CHILD OR AN ADULT WITH A MENTAL ILLNESS WHO
26 IS EXPERIENCING OR IS AT RISK OF A PSYCHIATRIC CRISIS THAT WOULD IMPAIR THE
27 INDIVIDUAL'S ABILITY TO FUNCTION IN THE COMMUNITY;

1 (2) DESIGNED TO PREVENT A PSYCHIATRIC INPATIENT ADMISSION,
2 PROVIDE AN ALTERNATIVE TO PSYCHIATRIC INPATIENT ADMISSION, OR SHORTEN
3 THE LENGTH OF INPATIENT STAY; AND

4 (3) PROVIDED OUT OF THE INDIVIDUAL'S RESIDENCE ON A
5 SHORT-TERM BASIS IN A COMMUNITY-BASED RESIDENTIAL SETTING.

6 (B) THIS SECTION APPLIES TO:

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

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

14 (C) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR
15 RESIDENTIAL CRISIS SERVICES FOR AN INSURED OR AN ENROLLEE WITH A MENTAL
16 ILLNESS IF, IN THE JUDGMENT OF THE INSURED'S OR ENROLLEE'S TREATING
17 PHYSICIAN OR AN APPROPRIATELY LICENSED HEALTH CARE PROFESSIONAL, THE
18 RESIDENTIAL CRISIS SERVICES ARE MEDICALLY NECESSARY.

19 **Article - Health - General**

20 19-706.

21 (WW) THE PROVISIONS OF § 15-840 OF THE INSURANCE ARTICLE APPLY TO
22 HEALTH MAINTENANCE ORGANIZATIONS.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
24 policies, contracts, and health benefit plans issued, delivered, or renewed in the State
25 on or after October 1, 2002.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2002.