

HOUSE BILL 505

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2004 Regular Session
4lr1157

By: **Delegates Pendergrass, Bobo, Conroy, Goldwater, Harrison, Kaiser, Love, Madaleno, Mandel, Montgomery, Murray, Nathan-Pulliam, Petzold, Quinter, and F. Turner**

Introduced and read first time: February 2, 2004

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

Health Insurance - Coverage for Clinical Services in a Residential Treatment Center

4 FOR the purpose of requiring certain insurers, nonprofit health service plans, and
5 health maintenance organizations to provide coverage for certain clinical
6 services provided to children in certain residential treatment centers; requiring
7 residential treatment centers to separate certain costs when submitting claims
8 for payment; defining certain terms; providing for the application of this Act;
9 and generally relating to health insurance coverage for clinical services provided
10 in a residential treatment center.

- 11 BY adding to
- 12 Article - Health - General
- 13 Section 19-706(zz)
- 14 Annotated Code of Maryland
- 15 (2000 Replacement Volume and 2003 Supplement)

16 BY adding to
17 Article - Insurance
18 Section 15-841
19 Annotated Code of Maryland
20 (2002 Replacement Volume and 2003 Supplement)

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

Article - Health - General

24 19-706.

25 (ZZ) THE PROVISIONS OF § 15-841 OF THE INSURANCE ARTICLE APPLY TO
26 HEALTH MAINTENANCE ORGANIZATIONS.

Article - Insurance

2 15-841.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
4 INDICATED.

- 10 (I) INDIVIDUAL PSYCHOTHERAPY;
- 11 (II) GROUP PSYCHOTHERAPY;
- 12 (III) FAMILY PSYCHOTHERAPY;
- 13 (IV) MULTIFAMILY GROUP PSYCHOTHERAPY;
- 14 (V) PSYCHOLOGICAL ASSESSMENT, INCLUDING PSYCHOLOGICAL
- 15 TESTING;

16 (VI) PSYCHIATRIC ASSESSMENT/EVALUATION;

17 (VII) MEDICATION MONITORING;

18 (VIII) CONTINUED PSYCHIATRIC ASSESSMENT;

19 (IX) CASE MANAGEMENT;

20 (X) PEDIATRIC CARE;

21 (XI) INTENSIVE BEHAVIOR MODIFICATION;

22 (XII) SPEECH PATHOLOGY;

23 (XIII) AUDIOLOGY;

24 (XIV) OCCUPATIONAL THERAPY; OR

25 (XV) PHYSICAL THERAPY.

26 (4) "RESIDENTIAL TREATMENT CENTER" HAS THE MEANING STATED IN §
27 19-301 OF THE HEALTH - GENERAL ARTICLE.

28 (B) THIS SECTION APPLIES TO:

29 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE
30 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 (C) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR
7 MEDICALLY NECESSARY CLINICAL SERVICES PROVIDED TO A CHILD IN A LICENSED
8 AND ACCREDITED RESIDENTIAL TREATMENT CENTER.

9 (D) IN SUBMITTING A CLAIM FOR PAYMENT UNDER THIS SECTION, A
10 RESIDENTIAL TREATMENT CENTER SHALL SEPARATE THE COSTS OF CLINICAL
11 SERVICES FROM THE COSTS OF RESIDENTIAL AND EDUCATIONAL SERVICES
12 PROVIDED BY THE RESIDENTIAL TREATMENT CENTER.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to
14 all policies, contracts, and health benefit plans issued, delivered, or renewed in the
15 State on or after October 1, 2004. Any policy, contract, or health benefit plan in effect
16 before October 1, 2004, shall comply with the provisions of this Act no later than
17 October 1, 2005.

18 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take
19 effect October 1, 2004.