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By: **Senator Teitelbaum**  
Introduced and read first time: February 6, 2004  
Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Coverage of Groups of Mandated Health Insurance**  
3 **Services**

4 FOR the purpose of authorizing insurers, nonprofit health service plans, and health  
5 maintenance organizations to divide mandated health insurance services in a  
6 certain manner for purposes of offering coverage; authorizing insurers,  
7 nonprofit health service plans, and health maintenance organizations to offer  
8 coverage for groups of mandated health insurance services; providing for the  
9 construction of this Act; and generally relating to coverage for mandated health  
10 insurance services.

11 BY adding to  
12 Article - Insurance  
13 Section 15-131  
14 Annotated Code of Maryland  
15 (2002 Replacement Volume and 2003 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article - Insurance  
18 Section 15-1501(a)(3)  
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:

23 **Article - Insurance**

24 15-131.

25 (A) IN THIS SECTION, "MANDATED HEALTH INSURANCE SERVICE" HAS THE  
26 MEANING STATED IN § 15-1501(A)(3) OF THIS TITLE.

27 (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.

8 (C) FOR PURPOSES OF OFFERING COVERAGE FOR MANDATED HEALTH  
9 INSURANCE SERVICES, AN ENTITY SUBJECT TO THIS SECTION MAY DIVIDE THE  
10 MANDATED HEALTH INSURANCE SERVICES REQUIRED UNDER THIS TITLE INTO AT  
11 LEAST THREE BUT NO MORE THAN FIVE GROUPS, EVENLY DIVIDED BY NUMBER OF  
12 MANDATED HEALTH INSURANCE SERVICES.

13 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, AN ENTITY  
14 SUBJECT TO THIS SECTION MAY OFFER TO INSURED AND ENROLLEES THE OPTION  
15 OF COVERAGE FOR SPECIFIC GROUPS OF MANDATED HEALTH INSURANCE SERVICES  
16 AS ESTABLISHED BY THE ENTITY IN ACCORDANCE WITH SUBSECTION (C) OF THIS  
17 SECTION.

18 (E) NOTHING IN THIS SECTION MAY BE CONSTRUED TO PROHIBIT AN ENTITY  
19 SUBJECT TO THIS SECTION FROM PROVIDING COVERAGES THAT ARE GREATER OR  
20 MORE FAVORABLE TO AN INSURED OR ENROLLEE THAN THE COVERAGES  
21 AUTHORIZED BY THIS SECTION.

22 15-1501.

23 (a) (3) (i) "Mandated health insurance service" means a legislative  
24 proposal or statute that would require a particular health care service to be provided  
25 or offered in a health benefit plan, by a carrier or other organization authorized to  
26 provide health benefit plans in the State.

27 (ii) "Mandated health insurance service", as applicable to all  
28 carriers, does not include services enumerated to describe a health maintenance  
29 organization under § 19-701(g)(2) of the Health - General Article.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
31 effect October 1, 2004.