C3 5lr1675 CF 5lr1674

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By: Senators Kelley, Astle, Britt, Colburn, Conway, Exum, Forehand, Gladden, Grosfeld, Hollinger, Hughes, Jones, Klausmeier, Kramer, Middleton, and Ruben Ruben, Della, Hafer, and Teitelbaum

Introduced and read first time: February 4, 2005

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 23, 2005

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CHAPTER\_\_\_\_

## 1 AN ACT concerning

- 2 Health Insurance Coverage for Psychological and Neuropsychological Testing
- 4 FOR the purpose of providing that health insurance coverage, including coverage
- 5 <u>provided by a health maintenance organization,</u> is not discriminatory if, with
- 6 respect to outpatient coverage for services provided to treat mental illnesses,
- 7 emotional disorders, drug abuse, or alcohol abuse, benefits include psychological
- 8 and neuropsychological testing for diagnostic purposes; providing for the
- 9 application of this Act; and generally relating to health insurance coverage for
- psychological and neuropsychological testing for diagnostic purposes.
- 11 BY repealing and reenacting, with amendments,
- 12 <u>Article Health General</u>
- 13 <u>Section 19-703.1(b)</u>
- 14 <u>Annotated Code of Maryland</u>
- 15 (2000 Replacement Volume and 2004 Supplement)
- 16 BY repealing and reenacting, without amendments,
- 17 Article Insurance
- 18 Section 15-802(c)
- 19 Annotated Code of Maryland
- 20 (2002 Replacement Volume and 2004 Supplement)
- 21 BY repealing and reenacting, with amendments,
- 22 Article Insurance

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1 2 3	Section 15-802(d) Annotated Code of Maryland (2002 Replacement Volume and 2004 Supplement)
4 5	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
6	Article - Health - General
7	<u>19-703.1.</u>
10 11 12 13	(b) (1) Subject to the provisions of this section, each contract or certificate issued to a member or subscriber by a health maintenance organization that provides health benefits and services for diseases may not discriminate against any person with a mental illness, emotional disorder or a drug abuse or alcohol abuse disorder by failing to provide benefits for treatment and diagnosis of these illnesses under the same terms and conditions as provided for covered benefits offered under the contract or certificate for the treatment of physical illness.
15 16	(2) It shall not be considered to be discriminatory under paragraph (1) of this subsection if at least the following benefits are provided:
	(i) With respect to inpatient benefits provided in a licensed or certified facility, which shall include hospital inpatient benefits, the total number of days for which benefits are payable shall be:
22	1. Except as provided in subsection (d) of this section, from July 1, 1994 through June 30, 1995, at least 60 days in any calendar year or benefit period of not more than 12 months under the same terms and conditions that apply to benefits available under the contract or certificate for physical illness; and
	2. On or after July 1, 1995, at least equal to the same terms and conditions that apply to the benefits available under the contract or certificate for physical illness;
29	(ii) Subject to subsection (f) of this section, with respect to benefits for partial hospitalization, at least 60 days of partial hospitalization shall be covered under the same terms and conditions that apply to the benefit available under the contract or certificate for physical illness; and
33 34 35	(iii) With respect to outpatient coverage, other than for inpatient or partial hospitalization services, benefits for covered expenses arising from services, INCLUDING PSYCHOLOGICAL AND NEUROPSYCHOLOGICAL TESTING FOR DIAGNOSTIC PURPOSES, which are rendered to treat mental illness, emotional disorders, drug abuse and alcohol abuse shall be at a rate which is, after the applicable deductible, not less than:
37 38	1. 80 percent for the first 5 visits in any calendar year or benefit period of not more than 12 months;

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1 2	2. 65 percent for the 6th through 30th visit in any calendar year or benefit period of not more than 12 months; and
3	3. 50 percent for the 31st visit and any visit after the 31st visit in any calendar year or benefit period of not more than 12 months.
5	Article - Insurance
6	15-802.
9 10	(c) A policy or contract subject to this section may not discriminate against an individual with a mental illness, emotional disorder, drug abuse disorder, or alcohol abuse disorder by failing to provide benefits for the diagnosis and treatment of these illnesses under the same terms and conditions that apply under the policy or contract for the diagnosis and treatment of physical illnesses.
12 13	(d) It is not discriminatory under subsection (c) of this section if at least the following benefits are provided:
16 17	(1) with respect to inpatient benefits for services provided in a licensed or certified facility, including hospital inpatient benefits, the total number of days for which benefits are payable and the terms and conditions that apply to those benefits are at least equal to those that apply to the benefits available under the policy or contract for physical illnesses;
21	(2) subject to subsection (g) of this section, with respect to benefits for partial hospitalization, at least 60 days of partial hospitalization are covered under the same terms and conditions that apply to the benefits available under the policy or contract for physical illnesses; and
25 26 27	(3) with respect to outpatient coverage, other than for inpatient or partial hospitalization services, benefits for covered expenses arising from services, INCLUDING PSYCHOLOGICAL AND NEUROPSYCHOLOGICAL TESTING FOR DIAGNOSTIC PURPOSES, provided to treat mental illnesses, emotional disorders, drug abuse, or alcohol abuse are at a rate that, after the applicable deductible, is not less than:
29 30	(i) 80% for the first five visits in a calendar year or benefit period of not more than 12 months;
31 32	(ii) 65% for the 6th through 30th visit in a calendar year or benefit period of not more than 12 months; and
33 34	(iii) 50% for the 31st visit and any subsequent visit in a calendar year or benefit period of not more than 12 months.
	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after October 1, 2005

SECTION 2, 3. AND BE IT FURTHER ENACTED, That this Act shall take 2 effect October 1, 2005.