

SENATE BILL 944

C3

71r3135
CF HB 1192

By: **Senators Madaleno, Forehand, Lenett, and Raskin**
Introduced and read first time: February 26, 2007
Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Habilitative Services – Covered Persons**

3 FOR the purpose of requiring insurers, nonprofit health service plans, and health
4 maintenance organizations to cover habilitative services for certain individuals
5 regardless of age; altering a certain definition; and generally relating to health
6 insurance coverage of habilitative services for covered persons.

7 BY repealing and reenacting, with amendments,
8 Article – Insurance
9 Section 15–835
10 Annotated Code of Maryland
11 (2006 Replacement Volume and 2006 Supplement)

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

14 **Article – Insurance**

15 15–835.

16 (a) (1) In this section the following words have the meanings indicated.

17 (2) (i) “Congenital or genetic birth defect” means a defect existing
18 at or from birth, including a hereditary defect.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) “Congenital or genetic birth defect” includes, but is not
2 limited to:

- 3 1. autism or an autism spectrum disorder; and
- 4 2. cerebral palsy.

5 (3) “Habilitative services” means services, including occupational
6 therapy, physical therapy, and speech therapy, for the treatment of [a child] **AN**
7 **INDIVIDUAL** with a congenital or genetic birth defect to enhance the [child’s]
8 **INDIVIDUAL’S** ability to function.

9 (4) “Managed care system” means a method that an insurer, a
10 nonprofit health service plan, or a health maintenance organization uses to review and
11 preauthorize a treatment plan that a health care practitioner develops for a covered
12 person using a variety of cost containment methods to control utilization, quality, and
13 claims.

14 (b) This section applies to:

15 (1) insurers and nonprofit health service plans that provide hospital,
16 medical, or surgical benefits to individuals or groups on an expense-incurred basis
17 under health insurance policies or contracts that are issued or delivered in the State;
18 and

19 (2) health maintenance organizations that provide hospital, medical,
20 or surgical benefits to individuals or groups under contracts that are issued or
21 delivered in the State.

22 (c) (1) An entity subject to this section shall provide coverage of
23 habilitative services for [children under the age of 19 years] **COVERED PERSONS** and
24 may do so through a managed care system.

25 (2) An entity subject to this section is not required to provide
26 reimbursement for habilitative services delivered through early intervention or school
27 services.

28 (d) An entity subject to this section shall provide notice annually to its
29 insureds and enrollees about the coverage required under this section.

30 (e) A determination by an entity subject to this section denying a request for
31 habilitative services or denying payment for habilitative services on the grounds that a

1 condition or disease is not a congenital or genetic birth defect is considered an
2 “adverse decision” under § 15–10A–01 of this title.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2007.