

SENATE BILL 341

C3

9lr1109
CF 9lr1881

By: **Senators Pugh, Astle, Della, Exum, Gladden, Glassman, Harrington,
Jones, Kelley, Klausmeier, Lenett, Madaleno, McFadden, Raskin, and
Rosapepe**

Introduced and read first time: January 29, 2009

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Prosthetic Parity Act**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and
4 health maintenance organizations to provide certain coverage for prosthetic
5 devices, components of prosthetic devices, and repairs to prosthetic devices;
6 prohibiting certain benefits from being subject to a certain copayment or
7 coinsurance requirement; prohibiting certain insurers, nonprofit health service
8 plans, and health maintenance organizations from imposing a certain dollar
9 maximum on certain coverage and from establishing certain requirements for
10 medical necessity or appropriateness; repealing a certain requirement for
11 certain health insurance contracts that is rendered inconsistent by this Act;
12 making certain provisions of this Act applicable to health maintenance
13 organizations; defining a certain term; providing for the application of this Act;
14 and generally relating to health insurance coverage for prosthetic devices,
15 components of prosthetic devices, and repairs to prosthetic devices.

16 BY repealing and reenacting, with amendments,
17 Article – Insurance
18 Section 15–820
19 Annotated Code of Maryland
20 (2006 Replacement Volume and 2008 Supplement)

21 BY adding to
22 Article – Insurance
23 Section 15–844
24 Annotated Code of Maryland
25 (2006 Replacement Volume and 2008 Supplement)

26 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Health – General
2 Section 19–706(ttt)
3 Annotated Code of Maryland
4 (2005 Replacement Volume and 2008 Supplement)

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

7 **Article – Insurance**

8 15–820.

9 (a) [(1)] In this section [the following words have the meanings indicated.

10 (2) “Orthopedic], “**ORTHOPEdic** brace” means a rigid or semi–rigid
11 device that is used to:

12 [(i)] **(1)** support a weak or deformed body member; or

13 [(ii)] **(2)** restrict or eliminate motion in a diseased or injured
14 part of the body.

15 [(3) “Prosthetic device” means an artificial limb.]

16 (b) Each health insurance contract that is delivered or issued for delivery in
17 the State by a nonprofit health service plan and that provides hospital benefits shall
18 provide benefits for [prosthetic devices and] orthopedic braces.

19 **15–844.**

20 **(A) IN THIS SECTION, “PROSTHETIC DEVICE” MEANS AN ARTIFICIAL**
21 **DEVICE TO REPLACE, IN WHOLE OR IN PART, A LEG, AN ARM, OR AN EYE.**

22 **(B) THIS SECTION APPLIES TO:**

23 **(1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**
24 **PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR**
25 **GROUPS ON AN EXPENSE–INCURRED BASIS UNDER HEALTH INSURANCE**
26 **POLICIES OR CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND**

27 **(2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE**
28 **HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS**
29 **UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.**

30 **(C) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE**
31 **FOR:**

- 1 **(1) PROSTHETIC DEVICES;**
- 2 **(2) COMPONENTS OF PROSTHETIC DEVICES; AND**
- 3 **(3) REPAIRS TO PROSTHETIC DEVICES.**

4 **(D) THE COVERED BENEFITS UNDER THIS SECTION MAY NOT BE**
 5 **SUBJECT TO A HIGHER COPAYMENT OR COINSURANCE REQUIREMENT THAN THE**
 6 **COPAYMENT OR COINSURANCE FOR PRIMARY CARE BENEFITS COVERED UNDER**
 7 **THE POLICY OR CONTRACT OF THE INSURED OR ENROLLEE.**

8 **(E) AN ENTITY SUBJECT TO THIS SECTION MAY NOT IMPOSE AN ANNUAL**
 9 **OR LIFETIME DOLLAR MAXIMUM ON COVERAGE REQUIRED UNDER THIS**
 10 **SECTION SEPARATE FROM ANY ANNUAL OR LIFETIME DOLLAR MAXIMUM THAT**
 11 **APPLIES IN THE AGGREGATE TO ALL COVERED BENEFITS UNDER THE POLICY**
 12 **OR CONTRACT OF THE INSURED OR ENROLLEE.**

13 **(F) AN ENTITY SUBJECT TO THIS SECTION MAY NOT ESTABLISH**
 14 **REQUIREMENTS FOR MEDICAL NECESSITY OR APPROPRIATENESS FOR THE**
 15 **COVERAGE REQUIRED UNDER THIS SECTION THAT ARE MORE RESTRICTIVE**
 16 **THAN THE INDICATIONS AND LIMITATIONS OF COVERAGE AND MEDICAL**
 17 **NECESSITY ESTABLISHED UNDER THE MEDICARE COVERAGE DATABASE.**

18 **Article - Health - General**

19 19-706.

20 **(TTT) THE PROVISIONS OF § 15-844 OF THE INSURANCE ARTICLE APPLY**
 21 **TO HEALTH MAINTENANCE ORGANIZATIONS.**

22 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to**
 23 **all policies, contracts, and health benefit plans issued, delivered, or renewed in the**
 24 **State on or after October 1, 2009.**

25 **SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect**
 26 **October 1, 2009.**