

# SENATE BILL 179

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2lr0886  
CF HB 243

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By: **Senators Pugh, Raskin, Astle, Brochin, Currie, Ferguson, Forehand, Frosh, Gladden, Kelley, King, Klausmeier, Madaleno, Manno, Mathias, Middleton, Montgomery, Peters, Pipkin, Ramirez, Robey, Rosapepe, Simonaire, Stone, and Zirkin** ~~Zirkin~~, **Garagiola, Glassman, and Muse**

Introduced and read first time: January 20, 2012

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: March 6, 2012

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Kathleen A. Mathias Chemotherapy Parity Act of 2012**

3 FOR the purpose of prohibiting insurers, nonprofit health service plans, and health  
4 maintenance organizations that provide coverage for certain cancer  
5 chemotherapy under certain policies or contracts from imposing certain limits  
6 or cost sharing on coverage for orally administered cancer chemotherapy that  
7 are less favorable to an insured or enrollee than the limits or cost sharing on  
8 coverage for cancer chemotherapy that is administered intravenously or by  
9 injection; prohibiting the insurers, nonprofit health service plans, and health  
10 maintenance organizations from reclassifying cancer chemotherapy or  
11 increasing certain out-of-pocket expenses to achieve certain compliance;  
12 ~~prohibiting the insurers, nonprofit health service plans, and health~~  
13 ~~maintenance organizations from increasing an out-of-pocket expense applied to~~  
14 ~~cancer chemotherapy under a health insurance policy or contract or a health~~  
15 ~~maintenance organization contract unless the increase also is applied to certain~~  
16 ~~benefits under the policy or contract;~~ making certain provisions of this Act  
17 applicable to health maintenance organizations; defining a certain term;  
18 providing for the application of this Act; and generally relating to health  
19 insurance coverage for cancer chemotherapy.

20 BY adding to

21 Article – Insurance

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Section 15–846  
 2 Annotated Code of Maryland  
 3 (2011 Replacement Volume)

4 BY adding to  
 5 Article – Health – General  
 6 Section 19–706(l)(l)  
 7 Annotated Code of Maryland  
 8 (2009 Replacement Volume and 2011 Supplement)

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

11 **Article – Insurance**

12 **15–846.**

13 (A) ~~(1) IN THIS SECTION, THE FOLLOWING WORDS HAVE THE~~  
 14 ~~MEANINGS INDICATED.~~

15 ~~(2) “AFFORDABLE CARE ACT” MEANS THE FEDERAL PATIENT~~  
 16 ~~PROTECTION AND AFFORDABLE CARE ACT, AS AMENDED BY THE FEDERAL~~  
 17 ~~HEALTH CARE AND EDUCATION RECONCILIATION ACT OF 2010, AND ANY~~  
 18 ~~REGULATIONS ADOPTED OR GUIDANCE ISSUED UNDER THE ACTS.~~

19 ~~(3) “CANCER CANCER CANCER CHEMOTHERAPY” MEANS~~  
 20 ~~MEDICATION THAT IS PRESCRIBED BY A LICENSED PHYSICIAN TO KILL OR SLOW~~  
 21 ~~THE GROWTH OF CANCER CELLS.~~

22 (B) THIS SECTION APPLIES TO:

23 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT  
 24 PROVIDE COVERAGE FOR BOTH ORALLY ADMINISTERED CANCER  
 25 CHEMOTHERAPY AND CANCER CHEMOTHERAPY THAT IS ADMINISTERED  
 26 INTRAVENOUSLY OR BY INJECTION UNDER HEALTH INSURANCE POLICIES OR  
 27 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

28 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE  
 29 COVERAGE FOR BOTH ORALLY ADMINISTERED CANCER CHEMOTHERAPY AND  
 30 CANCER CHEMOTHERAPY THAT IS ADMINISTERED INTRAVENOUSLY OR BY  
 31 INJECTION UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

32 (C) THIS SECTION DOES NOT APPLY TO A POLICY OR CONTRACT ISSUED  
 33 OR DELIVERED BY AN ENTITY SUBJECT TO THIS SECTION THAT PROVIDES THE

1 ESSENTIAL HEALTH BENEFITS REQUIRED UNDER § 1302(A) OF THE  
 2 AFFORDABLE CARE ACT.

3 ~~(C)~~ (D) AN ENTITY SUBJECT TO THIS SECTION MAY NOT IMPOSE  
 4 DOLLAR LIMITS, COPAYMENTS, DEDUCTIBLES, OR COINSURANCE  
 5 REQUIREMENTS ON COVERAGE FOR ORALLY ADMINISTERED CANCER  
 6 CHEMOTHERAPY THAT ARE LESS FAVORABLE TO AN INSURED OR ENROLLEE  
 7 THAN THE DOLLAR LIMITS, COPAYMENTS, DEDUCTIBLES, OR COINSURANCE  
 8 REQUIREMENTS THAT APPLY TO COVERAGE FOR CANCER CHEMOTHERAPY  
 9 THAT IS ADMINISTERED INTRAVENOUSLY OR BY INJECTION.

10 ~~(D)~~ (E) (1) AN ENTITY SUBJECT TO THIS SECTION MAY NOT  
 11 RECLASSIFY CANCER CHEMOTHERAPY OR INCREASE A COPAYMENT,  
 12 DEDUCTIBLE, COINSURANCE REQUIREMENT, OR OTHER OUT-OF-POCKET  
 13 EXPENSE IMPOSED ON CANCER CHEMOTHERAPY TO ACHIEVE COMPLIANCE  
 14 WITH THIS SECTION.

15 ~~(2) AN ENTITY SUBJECT TO THIS SECTION MAY NOT INCREASE AN~~  
 16 ~~OUT-OF-POCKET EXPENSE APPLIED TO CANCER CHEMOTHERAPY UNDER A~~  
 17 ~~HEALTH INSURANCE POLICY OR CONTRACT OR A HEALTH MAINTENANCE~~  
 18 ~~ORGANIZATION CONTRACT UNLESS THE ENTITY ALSO APPLIES THE INCREASE~~  
 19 ~~TO THE MAJORITY OF COMPARABLE MEDICAL OR PHARMACEUTICAL BENEFITS~~  
 20 ~~UNDER THE POLICY OR CONTRACT.~~

21 Article – Health – General

22 19–706.

23 (LLLL) THE PROVISIONS OF § 15–846 OF THE INSURANCE ARTICLE  
 24 APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
 26 policies, contracts, and health benefit plans subject to this Act that are issued,  
 27 delivered, or renewed in the State on or after October 1, 2012.

28 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 29 October 1, 2012.