Chapter 291

(House Bill 1252)

AN ACT concerning

Health Insurance – Federal Mental Health Parity and Addiction Equity Act – Utilization Review Criteria and Standards

FOR the purpose of requiring the information that a private review agent submits to the Maryland Insurance Commissioner in conjunction with a certain application to include certification by the private review agent that the criteria and standards to be used in conducting utilization review are, for review of mental health and substance use disorder benefits, in compliance with the federal Mental Health Parity and Addiction Equity Act: prohibiting a private review agent from using criteria and standards to conduct utilization review unless the criteria and standards used by the private review agent are, for review of mental health and substance use disorder benefits, in compliance with the federal Mental Health Parity and Addiction Equity Act; making a stylistic change entities that propose to issue or deliver certain insurance policies or contracts in the State or to administer health benefit programs that provide certain coverage to ensure that, when conducting utilization review for mental health and substance use benefits, the criteria and standards used are in compliance with the federal Mental Health Parity and Addiction Equity Act; and generally relating to utilization review criteria and standards used by private review agents for review of mental health and substance use disorder benefits under health insurance and compliance with the federal Mental Health Parity and Addiction Equity Act.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 15-10B-05(a)(11) and 15-10B-11(8) 15-1001(b)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article - Insurance

Section 15-10B-11(9)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article - Insurance

15 10B 05

- (a) In conjunction with the application, the private review agent shall submit information that the Commissioner requires including:
- (11) certification by the private review agent that the criteria and standards to be used in conducting utilization review are:
 - (i) objective;
 - (ii) elinically valid;
 - (iii) compatible with established principles of health care; [and]
- (iv) flexible enough to allow deviations from norms when justified on a case by case basis; AND
- (V) FOR REVIEW OF MENTAL HEALTH AND SUBSTANCE USE DISORDER BENEFITS, IN COMPLIANCE WITH THE FEDERAL MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT.

15-10B-11.

A private review agent may not:

- (8) use criteria and standards to conduct utilization review unless the criteria and standards used by the private review agent are:
 - (i) objective;
 - (ii) elinically valid:
 - (iii) compatible with established principles of health care; [or]
- $\frac{\text{(iv)}}{\text{flexible enough to allow deviations from norms when }} \\ \text{justified on a case-by-case basis; {or} } \\ \text{AND}$
- (V) FOR REVIEW OF MENTAL HEALTH AND SUBSTANCE USE DISORDER BENEFITS, IN COMPLIANCE WITH THE FEDERAL MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT; OR
- (9) act as a private review agent without holding a certificate issued under this subtitle.

15–1001.

- (b) (1) Subject to paragraph (2) of this subsection, each entity subject to this section shall:
- (i) <u>1.</u> have a certificate issued under Subtitle 10B of this title; or
- [(ii)] <u>2.</u> contract with a private review agent that has a certificate issued under Subtitle 10B of this title; AND
- (II) WHEN CONDUCTING UTILIZATION REVIEW FOR MENTAL HEALTH AND SUBSTANCE USE BENEFITS, ENSURE THAT THE CRITERIA AND STANDARDS USED ARE IN COMPLIANCE WITH THE FEDERAL MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT.
- (2) For hospital services, each entity subject to this section may contract with or delegate utilization review to a hospital utilization review program approved under § 19–319(d) of the Health General Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 2, 2013.