

SENATE BILL 297

C3

6lr0796
CF HB 539

By: ~~Senator Madalene~~ **Senators Madaleno, Benson, Feldman, Hershey, Kelley,
Klausmeier, Middleton, Pugh, and Reilly**

Introduced and read first time: January 22, 2016

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Recommitted to Finance, February 19, 2016

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 31, 2016

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Habilitative Services – Period of Time for Coverage**

3 FOR the purpose of extending until the end of a certain month the period of time during
4 which certain health insurers, nonprofit health service plans, and health
5 maintenance organizations are required to provide coverage of certain habilitative
6 services for insureds and enrollees who are children; repealing a provision of law
7 stating that a certain determination by a certain entity is considered an adverse
8 decision for certain purposes; altering a certain definition; repealing a certain
9 definition; providing for the application of this Act; and generally relating to health
10 insurance coverage for habilitative services.

11 BY repealing and reenacting, with amendments,
12 Article – Insurance
13 Section 15–835
14 Annotated Code of Maryland
15 (2011 Replacement Volume and 2015 Supplement)

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

18 **Article – Insurance**

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 15–835.

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

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

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

- 7 1. autism or an autism spectrum disorder;
- 8 2. cerebral palsy;
- 9 3. intellectual disability;
- 10 4. Down syndrome;
- 11 5. spina bifida;
- 12 6. hydroencephalocele; and
- 13 7. congenital or genetic developmental disabilities.

14 [(3)] (2) “Habilitation services” means services **AND DEVICES**, including
15 occupational therapy, physical therapy, and speech therapy, [for the treatment of a child
16 with a congenital or genetic birth defect to enhance the child’s ability to function] **THAT**
17 **HELP A CHILD KEEP, LEARN, OR IMPROVE SKILLS AND FUNCTIONING FOR DAILY**
18 **LIVING.**

19 [(4)] (3) “Managed care system” means a method that an insurer, a nonprofit
20 health service plan, or a health maintenance organization uses to review and preauthorize
21 a treatment plan that a health care practitioner develops for a covered person using a
22 variety of cost containment methods to control utilization, quality, and claims.

23 (b) This section applies to:

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

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

30 (c) (1) An entity subject to this section:

1 (I) shall provide coverage of habilitative services for **INSUREDS**
2 **AND ENROLLEES WHO ARE** children [under the age of 19 years] **UNTIL AT LEAST THE**
3 **END OF THE MONTH IN WHICH THE INSURED OR ENROLLEE TURNS 19 YEARS OLD;**
4 and

5 (II) may do so through a managed care system.

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

9 (d) An entity subject to this section shall provide notice annually to its insureds
10 and enrollees about the coverage required under this section:

11 (1) in print; and

12 (2) on its Web site.

13 (e) [A determination by an entity subject to this section denying a request for
14 habilitative services or denying payment for habilitative services on the grounds that a
15 condition or disease is not a congenital or genetic birth defect is considered an “adverse
16 decision” under § 15–10A–01 of this title.

17 (f)] Beginning November 1, 2013, a determination by an entity subject to this
18 section of whether habilitative services covered under this section are medically necessary
19 and appropriate to treat autism and autism spectrum disorders shall be made in accordance
20 with regulations adopted by the Commissioner.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
22 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or
23 after ~~October 1, 2016~~ January 1, 2017.

24 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2016.