

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 793
Finance

(Senator Feldman, *et al.*)

**Health Insurance - Lyme Disease and Related Tick-Borne Illnesses - Long-Term
Antibiotic Treatment**

This bill requires insurers, nonprofit health service plans, and health maintenance organizations (collectively known as carriers) to provide specified coverage for long-term antibiotic treatment of Lyme disease and related tick-borne illnesses. A carrier may not deny coverage for treatment solely because the treatment may be categorized as unproven, experimental, or investigational in nature. **The bill takes effect January 1, 2019, and applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after that date.**

Fiscal Summary

State Effect: Minimal increase in special fund revenues for the Maryland Insurance Administration (MIA) in FY 2019 from the \$125 rate and form filing fee. Review of form filings can likely be handled with existing budgeted resources. No impact on the State Employee and Retiree Health and Welfare Benefits Program.

Local Effect: To the extent the mandate increases the cost of health insurance, expenditures for local governments that purchase fully insured medical plans may increase. Revenues are not affected.

Small Business Effect: None.

Analysis

Bill Summary: “Long-term antibiotic therapy” means the administration of oral, intramuscular, or intravenous antibiotic medications for longer than four weeks.

“Lyme disease” includes one or more of the following:

- the clinical diagnosis by a licensed physician of the presence or signs or symptoms compatible with an acute infection with *Borrelia burgdorferi*;
- late-stage, persistent, or chronic infection with *Borrelia burgdorferi*;
- complications related to an infection with *Borrelia burgdorferi*;
- an infection by other strains of *Borrelia* that become identified or recognized by the U.S. Centers for Disease Control and Prevention (CDC) as a cause of Lyme disease;
- an infection that meets the CDC surveillance criteria for Lyme disease; or
- a specified clinical diagnosis of Lyme disease that does not meet the CDC surveillance criteria but meets other specified signs or symptoms.

“Related tick-borne illnesses” means bartonellosis, babesiosis, ehrlichiosis, anaplasmosis, piroplasmosis, or any other tick-transmittable illness that may be associated with Lyme disease.

If the long-term antibiotic treatment has been ordered by a licensed treating physician for therapeutic purposes, a carrier must provide coverage for the full length of the treatment. A carrier may not impose a quantitative limitation on the long-term antibiotic treatment.

Current Law: Under Maryland law, there are 49 mandated health insurance benefits that certain carriers must provide to their enrollees. The federal Patient Protection and Affordable Care Act (ACA) requires nongrandfathered health plans to cover 10 essential health benefits (EHBs), which include items and services in the following categories: (1) ambulatory patient services; (2) emergency services; (3) hospitalization; (4) maternity and newborn care; (5) mental health and substance use disorder services, including behavioral health treatment; (6) prescription drugs; (7) rehabilitative and habilitative services and devices; (8) laboratory services; (9) preventive and wellness services and chronic disease management; and (10) pediatric services, including dental and vision care.

Under § 31-116 of the Maryland Insurance Article, EHBs must be included in the State benchmark plan and, *notwithstanding any other benefits mandated by State law*, must be the benefits required in (1) all individual health benefit plans and health benefit plans offered to small employers (except for grandfathered health plans) offered outside the Maryland Health Benefit Exchange (MHBE) and (2) all qualified health plans offered in MHBE.

MIA advises that all carriers currently exclude coverage that is “unproven, experimental, or investigational in nature.”

Background: Lyme disease is caused by the bacterium *Borrelia burgdorferi* and is transmitted to humans through the bite of an infected blacklegged tick. Symptoms include fever, headache, fatigue, and a characteristic skin rash called erythema migrans. If left untreated, infection can spread to joints, the heart, and the nervous system. Lyme disease is diagnosed based on symptoms, physical findings, and the possibility of exposure to infected ticks. Most cases of Lyme disease can be treated successfully with a short course of antibiotics. In more complicated cases, Lyme disease can usually be successfully treated with three to four weeks of antibiotic therapy.

CDC, the National Institute of Allergy and Infectious Diseases, and the National Institutes of Health advise that, for patients who have nonspecific symptoms after being treated for Lyme disease and who have no evidence of active infection (patients with post-treatment Lyme disease syndrome), studies have shown that long-term antibiotic therapy does not necessarily improve outcomes and can be associated with serious complications.

Maryland is a high incidence state for Lyme disease. In 2016, there were 1,274 confirmed cases of Lyme disease (21.2 confirmed cases per 100,000 population), as well as an additional 592 probable cases.

Additional Comments: According to MIA, the bill establishes a new mandated benefit for the large group market only. Under the ACA, each state must pay, for every health plan purchased through MHBE, the additional premium associated with any state-mandated benefit beyond EHBs. As such, if the Insurance Commissioner elects to include the mandate in the State benchmark plan, the State would be required to defray the cost of the benefits to the extent it applies to the individual and small group market ACA plans.

Additional Information

Prior Introductions: None.

Cross File: HB 880 (Delegate K. Young, *et al.*) - Health and Government Operations.

Information Source(s): U.S. Centers for Disease Control and Prevention; National Institute of Allergy and Infectious Diseases; National Institutes of Health; Department of Budget and Management; Maryland Department of Health; Maryland Health Benefit Exchange; Maryland Insurance Administration; Department of Legislative Services

Fiscal Note History: First Reader - February 26, 2018
md/ljm

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510