

**Department of Legislative Services**  
Maryland General Assembly  
2022 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 634  
Finance

(Senator Lam)

---

**Health Insurance – Home Test Kits for Sexually Transmitted Diseases –  
Required Coverage**

---

This bill requires each individual, group, or blanket health insurance policy or contract issued or delivered in the State by an insurer or a nonprofit health service plan to provide coverage for the purchase of a “home test kit” (specified self-collect specimens to test for sexually transmitted diseases) and associated laboratory processing costs. Coverage must be provided if an in-network provider (1) determines the home test kit is medically necessary or appropriate and orders the test kit or (2) issues a standing order for the test kit for use based on clinical guidelines and the individual health needs of the insured or enrollee. **The bill takes effect January 1, 2023, 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) from the \$125 rate and form filing fee; review of any filings can be handled with existing resources. Any impact on the State Employee and Retiree Health and Welfare Benefits Program is indeterminate, as discussed below.

**Local Effect:** Potential minimal increase in health insurance premiums for local governments that purchase fully insured plans. Revenues are not affected.

**Small Business Effect:** None.

---

## Analysis

**Bill Summary:** “Home test kit” means a product that (1) is used by an individual to self-collect specimens to test for sexually transmitted diseases, including HIV, at a location that is not a clinical setting; (2) is recommended by the U.S. Centers for Disease Control and Prevention guidelines or the U.S. Preventive Services Task Force; and (3) has a Clinical Laboratory Improvement Amendment waiver, is cleared or approved by the U.S. Food and Drug Administration, or is developed by a laboratory in accordance with established regulations and quality standards.

**Current Law:** Insurers, nonprofit health service plans, and health maintenance organizations (collectively known as carriers) must provide coverage for an annual routine chlamydia screening test for (1) women who are younger than age 20 if they are sexually active; (2) women who are at least age 20 if they have multiple risk factors; and (3) men who have multiple risk factors. Carriers must also provide coverage for a human papillomavirus (HPV) screening at specified testing intervals.

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.

**State Fiscal Effect:** The State Employee and Retiree Health and Welfare Benefits Program is largely self-insured for its medical contracts and, as such, except for the one fully insured integrated health model medical plan (Kaiser), is not subject to this mandate. However, the program generally provides coverage for mandated health insurance benefits. The Department of Budget and Management (DBM) advises that the program currently covers the cost of testing for sexually transmitted diseases under the care of a physician as required under the ACA and in accordance with the recommendations of the U.S. Preventive Services Task Force. DBM advises that home test kits range in cost from \$50 to \$250 per kit. As there is no limit on the number of kits that may be ordered under

the bill and no data on the number of individuals for whom such tests may be ordered, any impact on program expenditures is indeterminate.

**Additional Comments:** MIA advises that, as drafted, the mandate does not apply to health maintenance organizations, which are typically subject to mandated benefits. However, the term “health insurance policy or contract” applies to other types of health insurance (including specified disease, hospital indemnity, dental, vision, long-term care, and disability income policies) that are not major medical coverage and are thus not typically subject to mandated benefits. Furthermore, as coverage for home test kits is only required when ordered by an *in-network* provider, the mandate would not apply to those covered under policies that do not condition the payment of benefits on the use of network providers. The mandate also does not apply to the nongrandfathered individual and small group markets.

---

### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** 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 20, 2022  
fnu2/ljm

---

Analysis by: Jennifer B. Chasse

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