SENATE BILL 614

J5, J1 CF HB 865

By: Senators Beidle and Elfreth, Elfreth, Ellis, Gile, Hayes, Hershey, Klausmeier, Kramer, Lam, Ready, and A. Washington

Introduced and read first time: January 26, 2024

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 2, 2024

CHAPTER _____

1 AN ACT concerning

- Maryland Medical Assistance Program and Health Insurance Coverage for Orthoses and Prostheses
 (So Every Body Can Move Act)
- 5 FOR the purpose of requiring the Maryland Medical Assistance Program and certain 6 insurers, nonprofit health service plans, and health maintenance organizations to 7 provide certain coverage related to erthoses and prostheses; requiring certain 8 insurers, nonprofit health service plans, and health maintenance organizations to 9 render utilization review determinations relating to the coverage in a nondiscriminatory manner; establishing certain provider network and 10 reimbursement requirements relating to the covered benefits establishing that 11 certain insurers, nonprofit health service plans, and health maintenance 12 organizations must comply with certain provider network requirements; and 13 generally relating to coverage and reimbursement for erthoses and prostheses. 14
- 15 BY repealing and reenacting, without amendments,
- 16 Article Health General
- 17 Section 15–103(a)(1)
- 18 Annotated Code of Maryland
- 19 (2023 Replacement Volume)
- 20 BY repealing and reenacting, with amendments,
- 21 Article Health General
- 22 Section 15–103(a)(2)(xxii) and (xxiii)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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

1 2	Annotated Code of Maryland (2023 Replacement Volume)					
3 4 5 6 7	BY adding to Article – Health – General Section 15–103(a)(2)(xxiv) Annotated Code of Maryland (2023 Replacement Volume)					
8 9 10 11	BY repealing and reenacting, with amendments, Article – Insurance Section 15–820 and 15–844 Annotated Code of Maryland (2017 Replacement Volume and 2023 Supplement)					
13 14	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:					
15	Article - Health - General					
16	15–103.					
17 18	(a) (1) The Secretary shall administer the Maryland Medical Assistance Program.					
19	(2) The Program:					
20 21	(xxii) Beginning on January 1, 2024, shall provide gender-affirming treatment in accordance with § 15–151 of this subtitle; [and]					
22 23 24	limitations of the State budget, and as permitted by federal law, coverage for biomarker					
25 26 27	(XXIV) BEGINNING ON JANUARY 1, 2025, SHALL PROVIDE COVERAGE FOR ORTHOSES AND PROSTHESES IN ACCORDANCE WITH $\frac{\$}{15}$ 15-844 § 15-844 OF THE INSURANCE ARTICLE.					
28	Article – Insurance					
29	15-820.					
30 31	(a) In this section, ["orthopedic brace" means a rigid or semi-rigid device that is used to:					
32	(1) support a weak or deformed body member or					

1 (2) restrict or eliminate motion in a diseased or injured part of the body.]
2 "ORTHOSIS" MEANS A CUSTOM DESIGNED, CUSTOM FABRICATED, CUSTOM FITTED,
3 PREFABRICATED, OR MODIFIED DEVICE TO TREAT A NEUROMUSCULAR OR
4 MUSCULOSKELETAL DISORDER OR ACQUIRED CONDITION.

(B) THIS SECTION APPLIES TO:

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- 6 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT
 7 PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS
 8 ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR
 9 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND
- 10 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE
 11 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER
 12 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.
- 13 [(b)] (C) [Each health insurance contract that is delivered or issued for delivery
 14 in the State by a nonprofit health service plan and that provides hospital benefits] AN
 15 ENTITY SUBJECT TO THIS SECTION shall provide [benefits] COVERAGE for [orthopedic
 16 braces] ORTHOSES AND, SUBJECT TO SUBSECTION (D) OF THIS SECTION,
 17 REPLACEMENTS FOR ORTHOSES.
- 18 (D) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE
 19 COVERAGE FOR REPLACEMENTS OF ORTHOSES WITHOUT REGARD TO CONTINUOUS
 20 USE OR USEFUL LIFETIME RESTRICTIONS IF AN ORDERING HEALTH CARE PROVIDER
 21 DETERMINES THAT THE PROVISION OF A REPLACEMENT ORTHOSIS OR A
 22 REPLACEMENT OF A COMPONENT OF THE ORTHOSIS IS NECESSARY:
- 23 (I) BECAUSE OF A CHANGE IN THE PHYSIOLOGICAL CONDITION 24 OF THE PATIENT:
- 25 (H) BECAUSE OF AN IRREPARABLE CHANGE IN THE CONDITION 26 OF THE ORTHOSIS OR A COMPONENT OF THE ORTHOSIS; OR
- 27 (HI) BECAUSE THE CONDITION OF THE ORTHOSIS OR A
 28 COMPONENT OF THE ORTHOSIS REQUIRES REPAIRS AND THE COST OF THE REPAIRS
 29 WOULD BE MORE THAN 60% OF THE COST OF REPLACING THE ORTHOSIS OR THE
 30 COMPONENT OF THE ORTHOSIS.
- 31 (2) AN ENTITY SUBJECT TO THIS SECTION MAY REQUIRE AN
 32 ORDERING HEALTH CARE PROVIDER TO CONFIRM THAT THE ORTHOSIS OR
 33 COMPONENT OF THE ORTHOSIS BEING REPLACED MEETS THE REQUIREMENTS OF

1	PARAGRAPH (1) OF THIS SUBSECTION IF THE ORTHOSIS OR COMPONENT IS LESS
2	THAN 3 YEARS OLD.

- 3 (E) AN ENTITY SUBJECT TO THIS SECTION SHALL CONSIDER THE COVERED
 4 BENEFITS UNDER THIS SECTION HABILITATIVE OR REHABILITATIVE BENEFITS FOR
 5 PURPOSES OF ANY FEDERAL OR STATE REQUIREMENT FOR COVERAGE OF
 6 ESSENTIAL HEALTH BENEFITS.
- 7 (F) THE COVERED BENEFITS UNDER THIS SECTION MAY NOT BE SUBJECT 8 TO:
- 9 (1) SEPARATE FINANCIAL REQUIREMENTS THAT ARE APPLICABLE
 10 ONLY WITH RESPECT TO THAT COVERAGE: OR
- 11 (2) A HIGHER COPAYMENT OR COINSURANCE REQUIREMENT THAN
 12 THE COPAYMENT OR COINSURANCE FOR BENEFITS COVERED UNDER THE POLICY OR
 13 CONTRACT OF THE INSURED OR ENROLLEE THAT RELATE TO PRIMARY CARE OR
 14 INPATIENT PHYSICIAN OR SURGICAL SERVICES.
- 15 (G) AN ENTITY SUBJECT TO THIS SECTION MAY NOT IMPOSE AN ANNUAL OR
 16 LIFETIME DOLLAR MAXIMUM ON COVERAGE REQUIRED UNDER THIS SECTION
 17 SEPARATE FROM ANY ANNUAL OR LIFETIME DOLLAR MAXIMUM THAT APPLIES IN
 18 THE AGGREGATE TO ALL COVERED BENEFITS UNDER THE POLICY OR CONTRACT OF
 19 THE INSURED OR ENROLLES.
- 20 (H) (1) AN ENTITY SUBJECT TO THIS SECTION MAY NOT ESTABLISH
 21 REQUIREMENTS FOR MEDICAL NECESSITY OR APPROPRIATENESS FOR THE
 22 COVERAGE REQUIRED UNDER THIS SECTION THAT ARE MORE RESTRICTIVE THAN
 23 THE INDICATIONS AND LIMITATIONS OF COVERAGE AND MEDICAL NECESSITY
 24 ESTABLISHED UNDER THE MEDICARE COVERAGE DATABASE.
- 25 (2) THE COVERED BENEFITS UNDER THIS SECTION INCLUDE 26 ORTHOSES IF THE TREATING PHYSICIAN DETERMINES THAT THE ORTHOSIS IS 27 MEDICALLY NECESSARY FOR:
- 28 (I) COMPLETING ACTIVITIES OF DAILY LIVING;
- 29 (II) ESSENTIAL JOB-RELATED ACTIVITIES; OR
- 30 (HI) PERFORMING PHYSICAL ACTIVITIES, INCLUDING RUNNING,
 31 BIKING, SWIMMING, STRENGTH TRAINING, AND OTHER ACTIVITIES TO MAXIMIZE
 32 THE WHOLE-BODY HEALTH AND LOWER OR UPPER LIMB FUNCTION OF THE INSURED
 33 OR ENROLLEE.

- 1 (I) AN ENTITY SUBJECT TO THIS SECTION SHALL RENDER UTILIZATION
 2 REVIEW DETERMINATIONS IN A NONDISCRIMINATORY MANNER AND MAY NOT DENY
 3 COVERAGE FOR BENEFITS REQUIRED UNDER THIS SECTION SOLELY ON THE BASIS
 4 OF AN INSURED'S OR ENROLLEE'S ACTUAL OR PERCEIVED DISABILITY.
- 5 (J) AN ENTITY SUBJECT TO THIS SECTION MAY NOT DENY BENEFITS
 6 REQUIRED UNDER THIS SECTION FOR AN INDIVIDUAL WITH LIMB LOSS OR ABSENCE
 7 THAT WOULD OTHERWISE BE COVERED FOR A NONDISABLED INDIVIDUAL SEEKING
 8 MEDICAL OR SURGICAL INTERVENTION TO RESTORE OR MAINTAIN THE ABILITY TO
 9 PERFORM THE SAME PHYSICAL ACTIVITY.
- 10 (K) AN ENTITY SUBJECT TO THIS SECTION SHALL INCLUDE LANGUAGE
 11 DESCRIBING THE INSURED'S OR ENROLLEE'S RIGHTS UNDER SUBSECTIONS (I) AND
 12 (J) OF THIS SECTION IN ITS EVIDENCE OF COVERAGE AND ANY BENEFIT DENIAL
 13 LETTER.
- 14 (L) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL ENSURE ACCESS TO
 15 AT LEAST TWO DISTINCT ORTHOPEDIC PROVIDERS IN THE ENTITY'S PROVIDER
 16 NETWORK IN THE STATE FOR ORTHOSES, ORTHOSIS TECHNOLOGY, AND MEDICALLY
 17 NECESSARY CLINICAL CARE FOR ORTHOSES.
- 18 (2) (I) IN THE EVENT THAT THE BENEFITS REQUIRED UNDER THIS
 19 SECTION ARE NOT AVAILABLE FROM AN IN-NETWORK PROVIDER, AN ENTITY
 20 SUBJECT TO THIS SECTION SHALL PROVIDE PROCESSES TO REFER AN INSURED OR
 21 ENROLLEE TO AN OUT-OF-NETWORK PROVIDER.
- 22 (H) 1. AN ENTITY SUBJECT TO THIS SECTION SHALL
 23 REIMBURSE AN OUT-OF-NETWORK PROVIDER AT A MUTUALLY AGREED ON RATE
 24 AFTER SUBTRACTING ANY COST SHARING REQUIREMENTS OF AN INSURED OR
 25 ENROLLEE.
- 26 **2.** COST-SHARING REQUIREMENTS OF AN INSURED OR
 27 ENROLLEE UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE
 28 DETERMINED AS IF THE BENEFITS WERE PROVIDED BY AN IN-NETWORK PROVIDER.
- 29 15-844.
- 30 (a) (1) In this section, ["prosthetic device" means" "PROSTHESIS" MEANS an artificial device to replace, in whole or in part, a leg, an arm, or an eye] "PROSTHESIS"
 32 MEANS A CUSTOM DESIGNED, FABRICATED, FITTED, OR MODIFIED DEVICE TO TREAT
 33 PARTIAL OR TOTAL LIMB LOSS FOR PURPOSES OF RESTORING PHYSIOLOGICAL FUNCTION OR COSMESIS.

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PROSTHESIS.

1	(2) "Prosthesis" includes a custom-designed, -fabricated,					
2	-FITTED, OR -MODIFIED DEVICE TO TREAT PARTIAL OR TOTAL LIMB LOSS FOR					
3	PURPOSES OF RESTORING PHYSIOLOGICAL FUNCTION.					
4	(b) This section applies to:					
5 6 7	(1) insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an expense—incurred basis under health insurance policies or contracts that are issued or delivered in the State; and					
8 9 10	(2) health maintenance organizations that provide hospital, medical, or surgical benefits to individuals or groups under contracts that are issued or delivered in the State.					
11	(c) An entity subject to this section shall provide ONCE ANNUALLY coverage for:					
12	(1) [prosthetic devices] PROSTHESES;					
13	(2) components of [prosthetic devices] PROSTHESES; [and]					
14	(3) repairs to [prosthetic devices] PROSTHESES; AND					
15 16	(4) SUBJECT TO SUBSECTION (D) OF THIS SECTION, REPLACEMENTS OF PROSTHESES OR PROSTHESIS COMPONENTS.					
17 18 19 20 21	(D) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR REPLACEMENTS OF PROSTHESES WITHOUT REGARD TO CONTINUOUS USE OR USEFUL LIFETIME RESTRICTIONS IF AN ORDERING HEALTH CARE PROVIDER DETERMINES THAT THE PROVISION OF A REPLACEMENT PROSTHESIS OR A COMPONENT OF THE PROSTHESIS IS NECESSARY:					
22 23	(I) BECAUSE OF A CHANGE IN THE PHYSIOLOGICAL CONDITION OF THE PATIENT;					
24 25 26	(II) <u>UNLESS NECESSITATED BY MISUSE</u> , BECAUSE OF AN IRREPARABLE CHANGE IN THE CONDITION OF THE PROSTHESIS OR A COMPONENT OF THE PROSTHESIS; OR					
27 28 29	(III) <u>UNLESS NECESSITATED BY MISUSE</u> , BECAUSE THE CONDITION OF THE PROSTHESIS OR THE COMPONENT OF THE PROSTHESIS REQUIRES REPAIRS AND THE COST OF THE REPAIRS WOULD BE MORE THAN 60 % OF					

THE COST OF REPLACING THE PROSTHESIS OR THE COMPONENT OF THE

1	(2) AN ENTITY SUBJECT TO THIS SECTION MAY REQUIRE AN					
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3	COMPONENT OF THE PROSTHESIS BEING REPLACED MEETS THE REQUIREMENTS OF					
4	PARAGRAPH (1) OF THIS SUBSECTION IF THE PROSTHESIS OR COMPONENT IS LESS					
5	THAN 3 YEARS OLD.					
9	THAN 6 TEARS OLD.					
6	(E) AN ENTITY SUBJECT TO THIS SECTION SHALL CONSIDER THE COVERED					
7	BENEFITS UNDER THIS SECTION HABILITATIVE OR REHABILITATIVE BENEFITS FOR					
8	PURPOSES OF ANY FEDERAL OR STATE REQUIREMENT FOR COVERAGE OF					
9	ESSENTIAL HEALTH BENEFITS.					
0	[(d)] (F) (E) The covered benefits under this section may not be subject to					
1	(1) SEPARATE FINANCIAL REQUIREMENTS THAT ARE APPLICABLE					
12	ONLY WITH RESPECT TO THAT COVERAGE; OR					
13	(2) a higher copayment or coinsurance requirement than the copayment or					
4						
5	covered under the policy or contract of the insured or enrollee THAT RELATE TO PRIMARY					
6	CARE OR INPATIENT PHYSICIAN OR SURGICAL-SERVICES.					
. 7	[(e)] (G) (F) An entity subject to this section may not impose an annual or lifetime					
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20	policy or contract of the insured or enrollee.					
21	[(f)] (H) (G) (1) An entity subject to this section may not establish requirements					
22	for medical necessity or appropriateness for the coverage required under this section that					
23	are more restrictive than the indications and limitations of coverage and medical necessity					
24	established under the Medicare Coverage Database.					
25	(2) THE COVERED BENEFITS UNDER THIS SECTION INCLUDE					
26	PROSTHESES IF THE TREATING PHYSICIAN DETERMINES THAT THE PROSTHESIS IS					
27	DETERMINED BY A TREATING HEALTH CARE PROVIDER TO BE MEDICALLY					
28	NECESSARY FOR:					
00	(I) COMPLETING A OTHER OF DATE AT BUNG.					
29	(I) COMPLETING ACTIVITIES OF DAILY LIVING;					
30	(II) ESSENTIAL JOB-RELATED ACTIVITIES; OR					
31	(III) PERFORMING PHYSICAL ACTIVITIES, INCLUDING RUNNING,					
32	BIKING, SWIMMING, STRENGTH TRAINING, AND OTHER ACTIVITIES TO MAXIMIZE					
33	THE WHOLE-BODY HEALTH AND LOWER OR UPPER LIMB FUNCTION OF THE INSURED					

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OR ENROLLEE.

- 1 (I) AN ENTITY SUBJECT TO THIS SECTION SHALL RENDER UTILIZATION
 2 REVIEW DETERMINATIONS IN A NONDISCRIMINATORY MANNER AND MAY NOT DENY
 3 COVERAGE FOR BENEFITS REQUIRED UNDER THIS SECTION SOLELY ON THE BASIS
 4 OF AN INSURED'S OR ENROLLEE'S ACTUAL OR PERCEIVED DISABILITY.
- 5 (J) AN ENTITY SUBJECT TO THIS SECTION MAY NOT DENY BENEFITS
 6 REQUIRED UNDER THIS SECTION FOR AN INDIVIDUAL WITH LIMB LOSS OR ABSENCE
 7 THAT WOULD OTHERWISE BE COVERED FOR A NONDISABLED PERSON SEEKING
 8 MEDICAL OR SURGICAL INTERVENTION TO RESTORE OR MAINTAIN THE ABILITY TO
 9 PERFORM THE SAME PHYSICAL ACTIVITY.
- 10 (K) AN ENTITY SUBJECT TO THIS SECTION SHALL INCLUDE LANGUAGE
 11 DESCRIBING THE INSURED'S OR ENROLLEE'S RIGHTS UNDER SUBSECTIONS (I) AND
 12 (J) OF THIS SECTION IN ITS EVIDENCE OF COVERAGE AND ANY BENEFIT DENIAL
 13 LETTER.
- 14 (L) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL ENSURE ACCESS TO
 15 AT LEAST TWO DISTINCT PROSTHESIS PROVIDERS IN THE ENTITY'S PROVIDER
 16 NETWORK IN THE STATE FOR PROSTHESES, PROSTHESIS TECHNOLOGY, AND
 17 MEDICALLY NECESSARY CLINICAL CARE FOR PROSTHESES.
- 18 (2) (I) IN THE EVENT THAT THE BENEFITS REQUIRED UNDER THIS
 19 SECTION ARE NOT AVAILABLE FROM AN IN-NETWORK PROVIDER, AN ENTITY
 20 SUBJECT TO THIS SECTION SHALL PROVIDE PROCESSES TO REFER AN INSURED OR
 21 ENROLLEE TO AN OUT-OF-NETWORK PROVIDER.
- 22 (H) 1. AN ENTITY SUBJECT TO THIS SECTION SHALL
 23 REIMBURSE AN OUT-OF-NETWORK PROVIDER AT A MUTUALLY AGREED ON RATE
 24 AFTER SUBTRACTING ANY COST SHARING REQUIREMENTS OF AN INSURED OR
 25 ENROLLEE.
- 26 **2.** COST-SHARING-REQUIREMENTS OF AN INSURED OR
 27 ENROLLEE UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE
 28 DETERMINED AS IF THE BENEFITS WERE PROVIDED BY AN IN-NETWORK PROVIDER.
- 29 (H) AN ENTITY SUBJECT TO THIS SECTION THAT USES A PROVIDER PANEL
 30 FOR A POLICY OR CONTRACT DESCRIBED IN SUBSECTION (B) OF THIS SECTION AND
 31 THE PROVISION OF COVERED BENEFITS UNDER THIS SECTION SHALL COMPLY WITH
 32 § 15–112(B)(3) OF THIS TITLE.
- 33 <u>SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General</u>
 34 <u>Assembly that Section 1 of this Act may not be construed to require managed care</u>
 35 <u>organizations under the Maryland Medical Assistance Program to cover additional</u>
 36 Healthcare Common Procedure Coding System (HCPCS) "L" codes for prosthetic

procedures and devices than are covered by managed care organizations as of December 31, 2024.

SECTION 2. 3. AND BE IT FURTHER ENACTED, That:

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- (a) On or before June 30, 2030, each entity that is subject to \$\frac{\\$\\$}{\} \frac{15-820 and}{15-844}\$ of the Insurance Article, as enacted by Section 1 of this Act, and each managed care organization providing coverage under the Maryland Medical Assistance Program shall report to the Maryland Insurance Administration and the Maryland Department of Health, respectively, on its compliance with \$\frac{\\$\}{\} \frac{15-820 and 15-844}{\} \frac{\}{\} \frac{15-844}{2}\$ of the Insurance Article or \$\\$\ 15-103(a)(2)(xxiv) of the Health General Article, as enacted by Section 1 of this Act and as applicable, for calendar years 2025 through 2028.
- 11 (b) (1) The report required under subsection (a) of this section shall be in a 12 form prescribed jointly by the Maryland Insurance Administration and the Maryland 13 Department of Health.
- 14 (2) The form shall include the number of claims and the total amount of claims paid in the State for the coverage required by §§ 15-820 and 15-844 § 15-844 of the 16 Insurance Article or § 15-103(a)(2)(xxiv) of the Health General Article, as enacted by 17 Section 1 of this Act and as applicable.
- 18 (c) (i) The Maryland Insurance Administration and the Maryland 19 Department of Health shall aggregate the data required under subsection (b) of this section 20 by calendar year in a joint report.
- 21 (ii) On or before December 31, 2030, the Maryland Insurance 22 Administration and the Maryland Department of Health shall submit the joint report to 23 the Senate Finance Committee and the House Health and Government Operations 24 Committee, in accordance with § 2–1257 of the State Government Article.

SECTION 4. AND BE IT FURTHER ENACTED, That:

- (a) The Maryland Health Care Commission and the Maryland Department of Health, in consultation with the Maryland Insurance Administration, shall review utilization of "L" codes and related codes within the All–Payer Claims Database and evaluate the cost impact of requiring coverage for orthoses, including medically necessary activity—specific orthoses, by the Maryland Medical Assistance Program and commercial health insurance plans.
- 32 (b) On or before December 1, 2024, the Maryland Health Care Commission and the Maryland Department of Health shall report the findings of the review required under subsection (a) of this section, in accordance with § 2–1257 of the State Government Article, to the Senate Finance Committee, the Senate Budget and Taxation Committee, the House Health and Government Operations Committee, and the House Appropriations Committee.

	10	SENATE BILL 014	
		SECTION 3. 5. AND BE IT FURTHER ENACTED, That Section to all policies, contracts, and health benefit plans issued, delivered on or after January 1, 2025.	
,	Janua	SECTION 4. 6. AND BE IT FURTHER ENACTED, That this ary 1, 2025.	Act shall take effect
	Appro	oved:	
Ī			Governor.

Speaker of the House of Delegates.

President of the Senate.