

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1331 (Delegate Taveras)
Health and Government Operations

Health Insurance - Massage Therapy - Required Coverage and Prohibited Cost Sharing

This bill requires an insurer, a nonprofit health service plan, and a health maintenance organization (collectively known as carriers) to provide coverage for massage therapy. A carrier is prohibited from imposing a copayment, coinsurance, or deductible requirement on coverage for massage therapy, with specified exception. A carrier may subject massage therapy coverage to the deductible requirement of a high-deductible health plan. **The bill takes effect January 1, 2025, and applies to all policies, contracts, and health benefit plans issued, delivered, or renewed on or after that date.**

Fiscal Summary

State Effect: Minimal increase in special fund revenues for the Maryland Insurance Administration (MIA) in FY 2025 only from the \$125 rate and form filing fee. Review of filings can be handled with existing MIA resources. Expenditures for the State Employee and Retiree Health and Welfare Benefits Program increase by an indeterminate but likely significant amount beginning in FY 2025.

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

Small Business Effect: None.

Analysis

Current Law:

Massage Therapy

Under the Health Occupations Article, “massage therapy” means the use of manual techniques on soft tissues of the human body, including stroking, kneading, tapping, stretching, compression, vibration, and friction, with or without the aid of heat limited to hot packs and heating pads, cold water, or nonlegend topical applications, for the purpose of improving circulation, enhancing muscle relaxation, relieving muscular pain, reducing stress, or promoting health and well-being.

“Massage therapy” includes hands-on application, consisting of pressure or movement on an individual, to specifically affect the electromagnetic energy or energetic field of the human body if this practice includes use of specified manual techniques.

“Massage therapy” does not include (1) the diagnosis of illness, disease, or injury; (2) the adjustment, manipulation, or mobilization of any of the articulations of the osseous structures of the human body or spine; or (3) the laying on of hands, consisting of pressure or movement on an individual who is fully clothed, except for footwear, to specifically affect the electromagnetic energy or energetic field of the human body.

Health Insurance Mandates

Under Maryland law, there are more than 50 mandated health insurance benefits that carriers must provide to their enrollees. Health insurance law also regulates or prohibits cost-sharing for certain services.

The federal Patient Protection and Affordable Care Act 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. The Maryland benchmark plan includes delivery and all inpatient services for maternity care as an EHB.

Cost-sharing Prohibitions

Carriers may not impose a copayment or coinsurance requirement on diagnostic breast examinations or supplemental breast examinations, preventive screening services for prostate cancer, or specified inpatient hospitalization coverage for mothers and newborn children. Carriers may not impose a copayment or coinsurance requirement on a covered specialty drug that exceeds \$150 for up to a 30-day supply of the drug.

State Expenditures: 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 bill. However, the program generally provides coverage as otherwise required under State law.

The Department of Budget and Management (DBM) advises that the requirement to cover massage therapy with no cost sharing would significantly increase annual costs to the program. As these services are not typically covered by insurance, it is difficult to project actual expenditures.

The Department of Legislative Services (DLS) agrees that, if DBM elects to comply with the bill, program expenditures increase by a potentially significant amount. However, in the absence of additional data on potential utilization and rates, DLS cannot provide a more reliable estimate of the magnitude of the bill's impact on program expenditures.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced in the past three years.

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

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km/ljm

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