## **SENATE BILL 312**

C311r0389 CF 1lr2039 SB 445/10 - FIN By: Senators Madaleno, Forehand, Glassman, Kelley, King, Montgomery, Pugh, Raskin, and Stone Introduced and read first time: February 2, 2011 Assigned to: Finance A BILL ENTITLED AN ACT concerning Health Insurance - Habilitative Services - Required Coverage FOR the purpose of requiring certain insurers, nonprofit health service plans, and health maintenance organizations to provide coverage of habilitative services for individuals under a certain age; altering a certain definition; and generally relating to health insurance coverage of habilitative services. BY repealing and reenacting, with amendments, Article – Insurance Section 15–835 Annotated Code of Maryland (2006 Replacement Volume and 2010 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: Article - Insurance 15-835. In this section the following words have the meanings indicated. (a) (1) "Congenital or genetic birth defect" means a defect existing

19 (ii) "Congenital or genetic birth defect" includes, but is not 20 limited to:

1. autism or an autism spectrum disorder; and

at or from birth, including a hereditary defect.

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2. cerebral palsy.

- 2 (3) "Habilitative services" means services, including occupational 3 therapy, physical therapy, and speech therapy, for the treatment of [a child] AN 4 INDIVIDUAL with a congenital or genetic birth defect to enhance the [child's] 5 INDIVIDUAL'S ability to function.
  - (4) "Managed care system" means a method that an insurer, a nonprofit health service plan, or a health maintenance organization uses to review and preauthorize a treatment plan that a health care practitioner develops for a covered person using a variety of cost containment methods to control utilization, quality, and claims.

## (b) This section applies to:

- 12 (1) insurers and nonprofit health service plans that provide hospital, 13 medical, or surgical benefits to individuals or groups on an expense—incurred basis 14 under health insurance policies or contracts that are issued or delivered in the State; 15 and
- 16 (2) health maintenance organizations that provide hospital, medical, 17 or surgical benefits to individuals or groups under contracts that are issued or 18 delivered in the State.
- 19 (c) (1) An entity subject to this section shall provide coverage of 20 habilitative services for [children] INDIVIDUALS under the age of [19] 25 years and 21 may do so through a managed care system.
- 22 (2) An entity subject to this section is not required to provide 23 reimbursement for habilitative services delivered through early intervention or school 24 services.
- 25 (d) An entity subject to this section shall provide notice annually to its 26 insureds and enrollees about the coverage required under this section.
- 27 (e) A determination by an entity subject to this section denying a request for 28 habilitative services or denying payment for habilitative services on the grounds that a 29 condition or disease is not a congenital or genetic birth defect is considered an 30 "adverse decision" under § 15–10A–01 of this title.
- 31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 32 July 1, 2011.