

SENATE BILL 445

C3
SB 564/09 – FIN

0lr0440
CF HB 198

By: **Senators Madaleno, Pugh, Forehand, Frosh, King, Lenett, and Raskin**
Introduced and read first time: February 1, 2010
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Habilitative Services – Required Coverage**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and
4 health maintenance organizations to provide coverage of habilitative services
5 for individuals under a certain age; altering a certain definition; and generally
6 relating to health insurance coverage of habilitative services.

7 BY repealing and reenacting, with amendments,
8 Article – Insurance
9 Section 15–835
10 Annotated Code of Maryland
11 (2006 Replacement Volume and 2009 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article – Insurance**

15 15–835.

16 (a) (1) In this section the following words have the meanings indicated.

17 (2) (i) “Congenital or genetic birth defect” means a defect existing
18 at or from birth, including a hereditary defect.

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

- 21 1. autism or an autism spectrum disorder; and
22 2. cerebral palsy.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (3) “Habilitative services” means services, including occupational
2 therapy, physical therapy, and speech therapy, for the treatment of [a child] AN
3 **INDIVIDUAL** with a congenital or genetic birth defect to enhance the [child’s]
4 **INDIVIDUAL’S** ability to function.

5 (4) “Managed care system” means a method that an insurer, a
6 nonprofit health service plan, or a health maintenance organization uses to review and
7 preauthorize a treatment plan that a health care practitioner develops for a covered
8 person using a variety of cost containment methods to control utilization, quality, and
9 claims.

10 (b) This section applies to:

11 (1) insurers and nonprofit health service plans that provide hospital,
12 medical, or surgical benefits to individuals or groups on an expense-incurred basis
13 under health insurance policies or contracts that are issued or delivered in the State;
14 and

15 (2) health maintenance organizations that provide hospital, medical,
16 or surgical benefits to individuals or groups under contracts that are issued or
17 delivered in the State.

18 (c) (1) An entity subject to this section shall provide coverage of
19 habilitative services for [children] **INDIVIDUALS** under the age of [19] **25** years and
20 may do so through a managed care system.

21 (2) An entity subject to this section is not required to provide
22 reimbursement for habilitative services delivered through early intervention or school
23 services.

24 (d) An entity subject to this section shall provide notice annually to its
25 insureds and enrollees about the coverage required under this section.

26 (e) A determination by an entity subject to this section denying a request for
27 habilitative services or denying payment for habilitative services on the grounds that a
28 condition or disease is not a congenital or genetic birth defect is considered an
29 “adverse decision” under § 15–10A–01 of this title.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 July 1, 2010.