

SENATE BILL 968

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By: **Senator Klausmeier**

Introduced and read first time: February 3, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Coverage Requirements for Behavioral Health Disorders –**
3 **Modifications**

4 FOR the purpose of altering certain coverage requirements applicable to certain health
5 benefit plans for the diagnosis and treatment of mental illness and emotional, drug
6 use, and alcohol use disorders; altering certain definitions; and generally relating to
7 health insurance coverage for the diagnosis and treatment of mental illness and
8 emotional, drug use, and alcohol use disorders.

9 BY repealing and reenacting, with amendments,
10 Article – Insurance
11 Section 15–802
12 Annotated Code of Maryland
13 (2011 Replacement Volume and 2016 Supplement)

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

16 **Article – Insurance**

17 15–802.

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

19 (2) “Alcohol [abuse] **MISUSE**” has the meaning stated in § 8–101 of the
20 Health – General Article.

21 (3) “Drug [abuse] **MISUSE**” has the meaning stated in § 8–101 of the
22 Health – General Article.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (4) “Grandfathered health plan coverage” has the meaning stated in 45
2 C.F.R. § 147.140.

3 (5) “Health benefit plan”:

4 (i) for a group or blanket plan, has the meaning stated in § 15–1401
5 of this title; and

6 (ii) for an individual plan, has the meaning stated in § 15–1301 of
7 this title.

8 (6) “Managed care system” means a system of cost containment methods
9 that a carrier uses to review and preauthorize a treatment plan developed by a health care
10 provider for a covered individual in order to control utilization, quality, and claims.

11 (7) “Partial hospitalization” means the provision of medically directed
12 intensive or intermediate short-term treatment:

13 (i) to an insured, subscriber, or member;

14 (ii) in a licensed or certified facility or program;

15 (iii) for mental illness, emotional disorders, drug [abuse] MISUSE, or
16 alcohol [abuse] MISUSE; and

17 (iv) for a period of less than 24 hours but more than 4 hours in a day.

18 (8) “Small employer” has the meaning stated in § 31–101 of this article.

19 (b) With the exception of small employer grandfathered health plan coverage, this
20 section applies to each individual, group, and blanket health benefit plan that is delivered
21 or issued for delivery in the State by an insurer, a nonprofit health service plan, or a health
22 maintenance organization.

23 (c) A health benefit plan subject to this section shall provide at least the following
24 benefits for the diagnosis and treatment of a mental illness, emotional disorder, drug
25 [abuse] USE disorder, or alcohol [abuse] USE disorder:

26 (1) inpatient benefits for services provided in a licensed or certified facility,
27 including hospital inpatient **AND RESIDENTIAL TREATMENT CENTER** benefits;

28 (2) partial hospitalization benefits; and

29 (3) outpatient **AND INTENSIVE OUTPATIENT** benefits, including all office
30 visits, **DIAGNOSTIC EVALUATION, OPIOID TREATMENT SERVICES, MEDICATION**

1 **EVALUATION AND MANAGEMENT**, and psychological and neuropsychological testing for
2 diagnostic purposes.

3 (d) (1) The benefits under this section are required only for expenses arising
4 from the treatment of mental illnesses, emotional disorders, drug [abuse] **MISUSE**, or
5 alcohol [abuse] **MISUSE** if, in the professional judgment of health care providers:

6 (i) the mental illness, emotional disorder, drug [abuse] **MISUSE**, or
7 alcohol [abuse] **MISUSE** is treatable; and

8 (ii) the treatment is medically necessary.

9 (2) The benefits required under this section:

10 (i) shall be provided as one set of benefits covering mental illnesses,
11 emotional disorders, drug [abuse] **MISUSE**, and alcohol [abuse] **MISUSE**;

12 (ii) shall comply with 45 C.F.R. § 146.136(a) through (d) **AND 29**
13 **C.F.R. § 2590.712(A) THROUGH (D)**;

14 (iii) subject to paragraph (3) of this subsection, may be delivered
15 under a managed care system; and

16 (iv) for partial hospitalization under subsection (c)(2) of this section,
17 may not be less than 60 days.

18 (3) The benefits required under this section may be delivered under a
19 managed care system only if the benefits for physical illnesses covered under the health
20 benefit plan are delivered under a managed care system.

21 (4) The processes, strategies, evidentiary standards, or other factors used
22 to manage the benefits required under this section must be comparable as written and in
23 operation to, and applied no more stringently than, the processes, strategies, evidentiary
24 standards, or other factors used to manage the benefits for physical illnesses covered under
25 the health benefit plan.

26 (5) An insurer, nonprofit health service plan, or health maintenance
27 organization may not charge a copayment for methadone maintenance treatment that is
28 greater than 50% of the daily cost for methadone maintenance treatment.

29 (e) An entity that issues or delivers a health benefit plan subject to this section
30 shall provide on its Web site and annually in print to its insureds or members:

31 (1) notice about the benefits required under this section and the federal
32 Mental Health Parity and Addiction Equity Act; and

1 (2) notice that the insured or member may contact the Administration for
2 further information about the benefits.

3 (f) An entity that issues or delivers a health benefit plan subject to this section
4 shall:

5 (1) post a release of information authorization form on its Web site; and

6 (2) provide a release of information authorization form by standard mail
7 within 10 business days after a request for the form is received.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
9 1, 2017.