

HOUSE BILL 1376

J1, J5, J3

4lr2878

By: **Delegate Rosenberg**

Introduced and read first time: February 9, 2024

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program, Maryland Children’s Health Program,**
3 **and Health Insurance – Special Pediatric Hospitals**

4 FOR the purpose of requiring the Maryland Medical Assistance Program and certain health
5 insurers, nonprofit health service plans, and health maintenance organizations to
6 provide coverage and certain reimbursement for a special administrative day for
7 certain patients at special pediatric hospitals; prohibiting the Program, the
8 Maryland Children’s Health Program, managed care organizations, and certain
9 health insurers, nonprofit health service plans, and health maintenance
10 organizations from requiring prior authorization for a transfer to a special pediatric
11 hospital; authorizing an enrollee and a special pediatric hospital to file an appeal
12 from a certain proposed Program medical necessity determination; and generally
13 relating to coverage for special pediatric hospitals.

14 BY repealing and reenacting, without amendments,
15 Article – Health – General
16 Section 15–101(a), (b), (c), (h), and (i) and 15–103(a)(1)
17 Annotated Code of Maryland
18 (2023 Replacement Volume)

19 BY adding to
20 Article – Health – General
21 Section 15–101(l), 15–102.3(m), 15–103(a)(2)(xxiii), and 15–155
22 Annotated Code of Maryland
23 (2023 Replacement Volume)

24 BY repealing and reenacting, with amendments,
25 Article – Health – General
26 Section 15–101(l)
27 Annotated Code of Maryland
28 (2023 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Health – General
3 Section 15–103(a)(2)(xxi) and (xxii)
4 Annotated Code of Maryland
5 (2023 Replacement Volume)
6 (As enacted by Chapters 504 and 505 of the Acts of the General Assembly of 2022)

7 BY adding to
8 Article – Insurance
9 Section 15–861
10 Annotated Code of Maryland
11 (2017 Replacement Volume and 2023 Supplement)

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

14 **Article – Health – General**

15 15–101.

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

17 (b) “Enrollee” means a program recipient who is enrolled in a managed care
18 organization.

19 (c) “Facility” means a hospital or nursing facility including an intermediate care
20 facility, skilled nursing facility, comprehensive care facility, or extended care facility.

21 (h) “Program” means the Maryland Medical Assistance Program.

22 (i) “Program recipient” means an individual who receives benefits under the
23 Program.

24 **(L) “SPECIAL PEDIATRIC HOSPITAL” MEANS A FACILITY THAT PROVIDES**
25 **NONACUTE MEDICAL, REHABILITATION, THERAPY, AND PALLIATIVE SERVICES TO**
26 **INDIVIDUALS:**

27 **(1) UNDER THE AGE OF 22 YEARS; OR**

28 **(2) WHO ARE AT LEAST 2 YEARS OLD AND UNDER THE AGE OF 23**
29 **YEARS AND HAVE CO-OCCURRING PHYSICAL AND BEHAVIORAL HEALTH**
30 **CONDITIONS.**

1 **[(l)] (M)** “Validated home blood pressure monitor” means a blood pressure
2 measurement device that has been validated for accuracy and is listed in the U.S. Blood
3 Pressure Validated Device Listing.

4 15–102.3.

5 **(M) BEGINNING JULY 1, 2025, THE PROVISIONS OF § 15–861 OF THE**
6 **INSURANCE ARTICLE APPLY TO MANAGED CARE ORGANIZATIONS IN THE SAME**
7 **MANNER THAT THEY APPLY TO CARRIERS.**

8 15–103.

9 (a) (1) The Secretary shall administer the Maryland Medical Assistance
10 Program.

11 (2) The Program:

12 (xxi) Beginning on January 1, 2024, shall provide gender–affirming
13 treatment in accordance with § 15–151 of this subtitle; [and]

14 (xxii) Beginning on July 1, 2025, shall provide, subject to the
15 limitations of the State budget, and as permitted by federal law, coverage for biomarker
16 testing in accordance with § 15–859 of the Insurance Article; AND

17 **(XXIII) BEGINNING ON JULY 1, 2025, SHALL PROVIDE**
18 **COVERAGE FOR A SPECIAL ADMINISTRATIVE DAY AT A SPECIAL PEDIATRIC**
19 **HOSPITAL IN ACCORDANCE WITH § 15–861 OF THE INSURANCE ARTICLE.**

20 15–155.

21 **(A) IN THIS SECTION, “MEDICAL NECESSITY” MEANS THAT THE SERVICE OR**
22 **BENEFIT IS:**

23 **(1) DIRECTLY RELATED TO DIAGNOSTIC, PREVENTATIVE, CURATIVE,**
24 **PALLIATIVE, REHABILITATIVE, OR AMELIORATIVE TREATMENT OF AN ILLNESS,**
25 **INJURY, DISABILITY, OR HEALTH CONDITION;**

26 **(2) CONSISTENT WITH STANDARDS OF GOOD MEDICAL PRACTICE;**

27 **(3) THE MOST COST–EFFICIENT SERVICE THAT CAN BE PROVIDED**
28 **WITHOUT SACRIFICING EFFECTIVENESS OR ACCESS TO CARE; AND**

29 **(4) NOT PRIMARILY FOR THE CONVENIENCE OF THE PARTICIPANT,**
30 **FAMILY, OR PROVIDER.**

1 **(B) THE PROGRAM AND THE MARYLAND CHILDREN’S HEALTH PROGRAM**
 2 **MAY NOT REQUIRE PRIOR AUTHORIZATION FOR A TRANSFER TO A SPECIAL**
 3 **PEDIATRIC HOSPITAL.**

4 **(C) (1) AN ENROLLEE WHO IS A PATIENT AT A SPECIAL PEDIATRIC**
 5 **HOSPITAL MAY FILE AN APPEAL FROM A PROPOSED PROGRAM MEDICAL NECESSITY**
 6 **DETERMINATION EVEN IF THE ENROLLEE WILL NOT BENEFIT FINANCIALLY FROM**
 7 **APPEALING THE ACTION.**

8 **(2) A SPECIAL PEDIATRIC HOSPITAL MAY FILE AN APPEAL FROM A**
 9 **PROPOSED PROGRAM MEDICAL NECESSITY DETERMINATION IF THE ENROLLEE**
 10 **SUBJECT TO THE ACTION SIGNS AN AGREEMENT AUTHORIZING THE SPECIAL**
 11 **PEDIATRIC HOSPITAL TO BE THE ENROLLEE’S REPRESENTATIVE TO FILE THE**
 12 **APPEAL.**

Article – Insurance

14 **15–861.**

15 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
 16 **INDICATED.**

17 **(2) “ADMINISTRATIVE DAY” MEANS A DAY OF MEDICAL SERVICES**
 18 **DELIVERED TO A PATIENT WHO NO LONGER REQUIRES THE LEVEL OF CARE THAT**
 19 **THE PROVIDER IS LICENSED TO DELIVER.**

20 **(3) “ANCILLARY SERVICES” MEANS DIAGNOSTIC AND THERAPEUTIC**
 21 **SERVICES, INCLUDING RADIOLOGY, LABORATORY TESTS, PHARMACY, AND**
 22 **PHYSICAL THERAPY SERVICES, PROVIDED EXCLUSIVE OF ROOM AND BOARD.**

23 **(4) “SPECIAL ADMINISTRATIVE DAY” MEANS A DAY OF MEDICAL**
 24 **SERVICES AND ANCILLARY SERVICES DELIVERED TO A PATIENT WHO NO LONGER**
 25 **REQUIRES THE LEVEL OF CARE THAT THE PROVIDER IS LICENSED TO DELIVER.**

26 **(5) “SPECIAL PEDIATRIC HOSPITAL” MEANS A FACILITY THAT**
 27 **PROVIDES NONACUTE MEDICAL, REHABILITATION, THERAPY, AND PALLIATIVE**
 28 **SERVICES TO INDIVIDUALS:**

29 **(I) UNDER THE AGE OF 22 YEARS; OR**

30 **(II) WHO ARE AT LEAST 2 YEARS OLD AND UNDER THE AGE OF**
 31 **23 YEARS AND HAVE CO-OCCURRING PHYSICAL AND BEHAVIORAL HEALTH**
 32 **CONDITIONS.**

1 **(B) THIS SECTION APPLIES TO:**

2 **(1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**
3 **PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS**
4 **ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR**
5 **CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND**

6 **(2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE**
7 **HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER**
8 **CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.**

9 **(C) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE**
10 **COVERAGE FOR A SPECIAL ADMINISTRATIVE DAY AT A SPECIAL PEDIATRIC**
11 **HOSPITAL IF THE PATIENT IS ELIGIBLE FOR DISCHARGE BUT FOR WHOM THERE IS**
12 **NO SAFE ENVIRONMENT AVAILABLE FOR TRANSFER.**

13 **(2) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE**
14 **REIMBURSEMENT FOR A SPECIAL ADMINISTRATIVE DAY ON THE SAME BASIS AND AT**
15 **THE SAME RATE AS THE REIMBURSEMENT PROVIDED FOR A COMBINATION OF AN**
16 **ADMINISTRATIVE DAY AND FOR ANCILLARY SERVICES PROVIDED BY A SPECIAL**
17 **PEDIATRIC HOSPITAL.**

18 **(D) AN ENTITY SUBJECT TO THIS SECTION MAY NOT REQUIRE PRIOR**
19 **AUTHORIZATION FOR A TRANSFER TO A SPECIAL PEDIATRIC HOSPITAL.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
21 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or
22 after January 1, 2025.

23 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 January 1, 2025.