

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1351 (Delegate Howard, *et al.*)
Health and Government Operations

Health Insurance - Lyme Disease and Related Tick-Borne Illnesses - Long-Term
Antibiotic Treatment

This bill requires insurers, nonprofit health service plans, and health maintenance organizations (collectively known as carriers) to provide specified coverage for “long-term antibiotic treatment” of Lyme disease and related tick-borne illnesses. A carrier may not deny coverage for treatment otherwise eligible for benefits solely because the treatment may be categorized as unproven, experimental, or investigational in nature. **The bill takes effect January 1, 2025, and applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after that date.**

Fiscal Summary

State Effect: Minimal increase in special fund revenues for the Maryland Insurance Administration (MIA) in FY 2025 from the \$125 rate and form filing fee. Review of form filings can likely be handled with existing budgeted resources. No impact on the State Employee and Retiree Health and Welfare Benefits Program.

Local Effect: To the extent the mandate increases the cost of health insurance, expenditures for local governments that purchase fully insured medical plans may increase. Revenues are not affected.

Small Business Effect: None.

Analysis

Bill Summary: “Long-term antibiotic treatment” means the administration of oral, intramuscular, or intravenous antibiotic medications for longer than four weeks.

“Lyme disease” includes one or more of the following:

- the clinical diagnosis by a licensed physician of the presence of signs or symptoms compatible with an acute infection with *Borrelia burgdorferi*;
- late-stage, persistent, or chronic infection with *Borrelia burgdorferi*;
- complications related to an infection with *Borrelia burgdorferi*;
- an infection by other strains of *Borrelia* that become identified or recognized by the U.S. Centers for Disease Control and Prevention (CDC) as a cause of Lyme disease;
- an infection that meets the CDC surveillance criteria for Lyme disease; and
- a specified clinical diagnosis of Lyme disease that does not meet the CDC surveillance criteria but meets other specified signs or symptoms.

“Related tick-borne illnesses” means bartonellosis, babesiosis, ehrlichiosis, anaplasmosis, piroplasmiasis, or any other tick-borne illness that may be associated with Lyme disease.

If the long-term antibiotic treatment of Lyme disease and related tick-borne illness has been ordered by a licensed treating physician for therapeutic purposes, a carrier must provide coverage for the full length of the treatment to be administered in the manner prescribed by the physician. A carrier may not impose a quantitative limitation on the long-term antibiotic treatment.

Current Law: Under Maryland law, there are more than 50 mandated health insurance benefits that certain carriers must provide to their enrollees. The federal Patient Protection and Affordable Care Act (ACA) 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.

Additional Comments: MIA advises that all carriers exclude coverage that is “unproven, experimental, or investigational in nature.” Further, MIA notes that the bill establishes a

new mandated benefit for the large group market and the individual grandfathered market only. Under ACA, each state must pay, for every health plan purchased through its exchange (in Maryland, MHBE), the additional premium associated with any state-mandated benefit beyond EHBs. As such, if the General Assembly elects to require the mandate to be covered under individual and small group market ACA plans, the State would be required to defray the cost of the benefit to the extent it applies to individual and small group market ACA plans.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 1199 of 2023, HB 1244 of 2022, and HB 1319 of 2021.

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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