

SENATE BILL 671

C3

4lr2430

By: **Senators Astle and Benson**

Introduced and read first time: January 31, 2014

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Coverage for Ostomy Equipment and Supplies – Required**

3 FOR the purpose of requiring insurers, nonprofit health service plans, and health
4 maintenance organizations that provide certain health insurance benefits under
5 certain insurance policies or contracts to provide coverage for certain equipment
6 and supplies used for the treatment of ostomies; requiring the Maryland
7 Insurance Commissioner, in consultation with the Secretary of Health and
8 Mental Hygiene, to adopt by regulation and periodically update a list of certain
9 ostomy equipment and supplies; providing that ostomy equipment and supplies
10 included on a certain list are subject to certain insurance coverage; providing
11 that the required coverage may be subject to certain deductibles and
12 coinsurance; providing for the application of this Act; and generally relating to
13 coverage for ostomy equipment and supplies under health insurance.

14 BY adding to

15 Article – Health – General
16 Section 19–706(oooo)
17 Annotated Code of Maryland
18 (2009 Replacement Volume and 2013 Supplement)

19 BY adding to

20 Article – Insurance
21 Section 15–847
22 Annotated Code of Maryland
23 (2011 Replacement Volume and 2013 Supplement)

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

26 **Article – Health – General**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 19-706.

2 (0000) THE PROVISIONS OF § 15-847 OF THE INSURANCE ARTICLE
3 APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

4 Article - Insurance

5 15-847.

6 (A) THIS SECTION APPLIES TO:

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

11 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE
12 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS
13 UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

14 (B) THIS SECTION DOES NOT APPLY TO A POLICY OR CONTRACT ISSUED
15 OR DELIVERED BY AN ENTITY SUBJECT TO THIS SECTION THAT PROVIDES THE
16 ESSENTIAL HEALTH BENEFITS REQUIRED UNDER § 1302(A) OF THE
17 AFFORDABLE CARE ACT.

18 (C) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE
19 FOR ALL MEDICALLY APPROPRIATE AND NECESSARY EQUIPMENT AND SUPPLIES
20 USED FOR THE TREATMENT OF OSTOMIES, INCLUDING FLANGES, COLLECTION
21 BAGS, CLAMPS, IRRIGATION DEVICES, SANITIZING PRODUCTS, OSTOMY RINGS,
22 AND OSTOMY BELTS.

23 (D) (1) IN CONSULTATION WITH THE SECRETARY OF HEALTH AND
24 MENTAL HYGIENE, THE COMMISSIONER SHALL ADOPT BY REGULATION AND
25 PERIODICALLY UPDATE A LIST OF ADDITIONAL OSTOMY EQUIPMENT AND
26 SUPPLIES THAT ARE MEDICALLY NECESSARY FOR THE TREATMENT OF
27 OSTOMIES.

28 (2) THE ADDITIONAL OSTOMY EQUIPMENT AND SUPPLIES
29 INCLUDED ON THE LIST REQUIRED UNDER PARAGRAPH (1) OF THIS
30 SUBSECTION ARE SUBJECT TO COVERAGE UNDER SUBSECTION (C) OF THIS
31 SECTION.

32 (E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
33 COVERAGE REQUIRED UNDER THIS SECTION MAY BE SUBJECT TO THE ANNUAL

1 DEDUCTIBLES OR COINSURANCE REQUIREMENTS IMPOSED BY AN ENTITY
2 SUBJECT TO THIS SECTION FOR SIMILAR COVERAGES UNDER THE SAME HEALTH
3 INSURANCE POLICY OR CONTRACT.

4 (2) THE ANNUAL DEDUCTIBLES OR COINSURANCE
5 REQUIREMENTS IMPOSED UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR
6 THE COVERAGE REQUIRED UNDER THIS SECTION MAY NOT BE GREATER THAN
7 THE ANNUAL DEDUCTIBLES OR COINSURANCE REQUIREMENTS IMPOSED BY THE
8 ENTITY FOR SIMILAR COVERAGES.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
10 policies, contracts, and health benefit plans subject to this Act that are issued,
11 delivered, or renewed in the State on or after October 1, 2014.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2014.