By: \_\_\_\_\_\_\_\_\_

Introduced and read first time: \_\_\_\_\_\_\_\_\_\_

Assigned to: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

AN ACT concerning

Health Insurance – Implementation and reporting requirements for the Insurance Administration

FOR the purpose of specifying implementation and reporting requirements for the MIA.

BY repealing and reenacting with amendments

 Article – Insurance

 Section – 15-802

 Annotated Code of Maryland

(2011 Replacement Volume and 2018 Supplement)

 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That the laws of Maryland read as follows:

**Article — Insurance**

15-802

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

(2)   “Alcohol misuse” has the meaning stated in § 8–101 of the Health – General Article.

(3)   “Drug misuse” has the meaning stated in § 8–101 of the Health – General Article.

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

(5)   “Health benefit plan”:

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

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

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

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

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

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

(iii)   for mental illness, emotional disorders, drug misuse, or alcohol misuse; and

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

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

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

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

(1)   inpatient benefits for services provided in a licensed or certified facility, including hospital inpatient and residential treatment center benefits;

(2)   partial hospitalization benefits; and

(3)   outpatient and intensive outpatient benefits, including all office visits, diagnostic evaluation, opioid treatment services, medication evaluation and management, and psychological and neuropsychological testing for diagnostic purposes.

(d)    (1)   The benefits under this section are required only for expenses arising from the treatment of mental illnesses, emotional disorders, drug misuse, or alcohol misuse if, in the professional judgment of health care providers:

(i)   the mental illness, emotional disorder, drug misuse, or alcohol misuse is treatable; and

(ii)   the treatment is medically necessary.

(2)   The benefits required under this section:

(i)   shall be provided as one set of benefits covering mental illnesses, emotional disorders, drug misuse, and alcohol misuse;

(ii)   shall comply with 45 C.F.R. § 146.136(a) through (d) and 29 C.F.R. § 2590.712(a) through (d);

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

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

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

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

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

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

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

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

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

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

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

 **(G) NOT LATER THAN MARCH 31ST, 2020, THE INSURANCE ADMINISTRATION SHALL ISSUE A REPORT AND EDUCATIONAL PRESENTATION TO THE GENERAL ASSEMBLY, WHICH SHALL:**

 **(1) COVER THE METHODOLODY THE INSURANCE ADMINISTRATION IS USING TO CHECK FOR COMPLIANCE WITH THE FEDERAL PAUL WELLSTONE AND PETE DOMENICI MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT OF 2008 (MHPAEA), AND ANY FEDERAL REGULATIONS OR GUIDANCE RELATING TO THE COMPLIANCE AND OVERSIGHT OF MHPAEA.**

 **(2) IDENTIFY MARKET CONDUCT EXAMINATIONS CONDUCTED OR COMPLETED DURING THE PRECEDING 12-MONTH PERIOD REGARDING COMPLIANCE WITH PARITY IN MENTAL ILLNESS, EMOTIONAL DISORDERS, ALCOHOL MISUSE, OR DRUG MISUSE BENEFITS UNDER STATE AND FEDERAL LAWS AND SUMMARIZE THE RESULTS OF SUCH MARKET CONDUCT EXAMINATIONS.**

 **(3) DETAIL ANY EDUCATIONAL OR CORRECTIVE ACTIONS THE INSURANCE ADMINISTRATION HAS TAKEN TO ENSURE ENTITY COMPLIANCE WITH MHPAEA AND THIS SECTION.**

 **(4) THE REPORT MUST BE WRITTEN IN NON-TECHNICAL, READILY UNDERSTANDABLE LANGUAGE AND SHALL BE MADE AVAILABLE TO THE PUBLIC BY, AMONG SUCH OTHER MEANS AS THE INSURANCE ADMINISTRATION FINDS APPROPRIATE, POSTING THE REPORT ON THE WEBSITE OF THE INSURANCE ADMINISTRATION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 21 1, 2019.