PROPOSALS AS MODIFIED BY THE NEGOTIATION PROCESS SET FORTH IN THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1986.

Approved May 27, 1986.

## CHAPTER 843

(Senate Bill 12)

AN ACT concerning

Health Insurance - Mental Illness

FOR the purpose of altering the rate at which certain health insurance policies are required to provide benefits for the treatment of acute mental illnesses and emotional disorders; providing for the application of this Act in a certain manner; and providing a termination date for this Act.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code Section 354D(a), 470E(a), and 477E(a) Annotated Code of Maryland (1979 Replacement Volume and 1985 Supplement)

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

## Article 48A - Insurance Code

354D.

(a) Every hospital or major medical contract or certificate delivered or issued for delivery, within this State by a nonprofit health service organization, including both individual policies and group policies, must include benefits for expenses arising from treatment of acute mental illnesses and emotional disorders which in the professional judgment of practitioners are subject to significant improvement through short-term therapy. These benefits must be at least equal to the following minimum requirements: (1) with respect to benefits for confinement as an inpatient in a hospital, the period of confinement for which benefits are payable shall be at least 30 days in any calendar year or benefit period; (2) with respect to major medical expense coverage, benefits, after the applicable deductible, for covered expenses arising from all those services, other than inpatient,