

Commission to submit a certain report to the House Economic Matters Committee and the Senate Finance Committee on or before a certain date; providing for the application of this Act; and generally relating to coverage for ~~rehabilitation~~ of habilitative services for children by health insurers, nonprofit health service plans, and health maintenance organizations.

BY adding to

Article - Insurance  
Section 15-835  
Annotated Code of Maryland  
(1997 Volume and 1999 Supplement)

BY adding to

Article - Health - General  
Section 19-706(nn)  
Annotated Code of Maryland  
(1996 Replacement Volume and 1999 Supplement)

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

**Article - Insurance**

15-835.

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

(2) "HABILITATIVE SERVICES" MEANS SERVICES, INCLUDING OCCUPATIONAL THERAPY, PHYSICAL THERAPY, AND SPEECH THERAPY, FOR THE TREATMENT OF A CHILD WITH CONGENITAL AND GENETIC BIRTH DEFECTS TO ENHANCE THE CHILD'S ABILITY TO FUNCTION.

(3) "MANAGED CARE SYSTEM" MEANS A METHOD THAT AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION USES TO REVIEW AND PREAUTHORIZE A TREATMENT PLAN THAT A HEALTH CARE PRACTITIONER DEVELOPS FOR A COVERED PERSON USING A VARIETY OF COST CONTAINMENT METHODS TO CONTROL UTILIZATION, QUALITY, AND CLAIMS.

(A) (B) THIS SECTION APPLIES TO:

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

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