

HOUSE No. 5256

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, July 31, 2006.

The committee on Rules, to whom was referred the Order relative to authorizing the committee on Health Care Financing to make an investigation and study of certain House documents concerning health care costs (House, No. 4972), report, in part, recommending that the accompanying bill (House, No. 5256) ought to pass.

For the committee,

ANGELO M. SCACCIA.

The Commonwealth of Massachusetts

In the Year Two Thousand and Six.

AN ACT PROVIDING FOR HEALTH CARE COVERAGE FOR CERTAIN PROSTHETIC DEVICES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 32A of the General Laws is hereby
2 amended by inserting after section 17H the following new
3 section:—

4 Section 17I. (a) The commission shall provide to any active or
5 retired employee of the commonwealth who is insured under the
6 group insurance commission coverage for prosthetic devices and
7 repairs under the same terms and conditions that apply to other
8 durable medical equipment covered under the policy, except as
9 otherwise provided in this section.

10 (b) In this section, “prosthetic device” means an artificial limb
11 device to replace, in whole or in part, an arm or leg.

12 (c) Such coverage shall not impose any annual or lifetime
13 dollar maximum on coverage for prosthetic devices other than an
14 annual or lifetime dollar maximum that applies in the aggregate to
15 all items and services covered under the policy.

16 (d) Such coverage shall not apply amounts paid for prosthetic
17 devices to any annual or lifetime dollar maximum applicable to
18 other durable medical equipment covered under the policy other
19 than an annual or lifetime dollar maximum that applies in the
20 aggregate to all items and services covered under the policy.

21 (e) Such coverage may include a reasonable co-insurance
22 requirement for prosthetic devices and repairs, not to exceed 20%
23 of the allowable cost of the prosthetic device or repair, unless all
24 covered benefits applying co-insurance under the plan do so at a
25 higher amount. If the health policy provides coverage for services
26 from nonparticipating providers, the policy may include a reason-
27 able co-insurance requirement for prosthetic devices and repairs,
28 not to exceed 40% of the allowable cost of the device or repair

29 when obtained from a nonparticipating provider, unless all cov-
30 ered benefits applying co-insurance under the plan do so at a
31 higher amount.

32 (f) Such coverage may require prior authorization as a condi-
33 tion of coverage for prosthetic devices.

1 SECTION 2. Chapter 175 of the General Laws is hereby
2 amended by inserting after section 47T the following new section:

3 Section 47U (a) Any blanket or general policy of insurance,
4 except a blanket or general policy of insurance which provides
5 supplemental coverage to Medicare or other governmental pro-
6 grams, described in subdivision (A), (C) or (D) of section one
7 hundred and ten which provides hospital expense and surgical
8 expense insurance and which is issued or subsequently renewed
9 by agreement between the insurer and the policy holder, within or
10 without the commonwealth, during the period this provision is
11 effective, or any policy of accident or sickness insurance as
12 described in section one hundred and eight which provides hos-
13 pital expense and surgical expense insurance, except a policy
14 which provides supplemental coverage to Medicare or other gov-
15 ernmental programs, and which is delivered or issued for delivery
16 or subsequently renewed by agreement between the insurer and
17 the policy holder in the commonwealth, during the period that this
18 provision is effective, or any employees' health and welfare fund
19 which provides hospital expense and surgical expense benefits and
20 which is promulgated or renewed to any person or group of per-
21 sons in the commonwealth, while this provision is effective, shall
22 provide coverage for prosthetic devices and repairs under the
23 same terms and conditions that apply to other durable medical
24 equipment covered under the policy, except as otherwise provided
25 in this section.

26 (b) In this section, "prosthetic device" means an artificial limb
27 device to replace, in whole or in part, an arm or leg.

28 (c) Any such policy as described in this section shall not
29 impose any annual or lifetime dollar maximum on coverage for
30 prosthetic devices other than an annual or lifetime dollar max-
31 imum that applies in the aggregate to all items and services cov-
32 ered under the policy.

33 (d) Any such policy as described in this section shall not apply
34 amounts paid for prosthetic devices to any annual or lifetime

35 dollar maximum applicable to other durable medical equipment
36 covered under the policy other than an annual or lifetime dollar
37 maximum that applies in the aggregate to all items and services
38 covered under the policy.

39 (e) Any such policy as described in this section may include a
40 reasonable co-insurance requirement for prosthetic devices and
41 repairs, not to exceed 20% of the allowable cost of the prosthetic
42 device or repair, unless all covered benefits applying co-insurance
43 under the plan do so at a higher amount. If such policy provides
44 coverage for services from nonparticipating providers, the con-
45 tract may include a reasonable co-insurance requirement for pros-
46 thetic devices and repairs, not to exceed 40% of the allowable cost
47 of the device or repair when obtained from a nonparticipating
48 provider, unless all covered benefits applying co-insurance under
49 the plan do so at a higher amount.

50 (f) Any such policy may require prior authorization as a condi-
51 tion of coverage for prosthetic devices.

52 (g) Any such policy shall only be required to provide coverage
53 for the most appropriate medically necessary model that ade-
54 quately meets the needs of the policyholder.

1 SECTION 3. Chapter 176A of the General Laws is hereby
2 amended by inserting after section 8T the following new
3 section:—

4 Section 8U. (a) A contract between a subscriber and the corpo-
5 ration under an individual or group hospital service plan which
6 provides hospital expense and surgical expense insurance, except
7 contracts providing supplemental coverage to Medicare or other
8 governmental programs, delivered, issued or renewed by agree-
9 ment between the insurer and the policyholder, within or without
10 the commonwealth, shall provide benefits to all individual sub-
11 sscribers and members within the commonwealth and to all group
12 members having a principal place of employment within the com-
13 monwealth for coverage for prosthetic devices and repairs. If
14 prosthetic devices are covered as a durable medical equipment
15 benefit, coverage shall be provided under the same terms and con-
16 ditions that apply to other durable medical equipment covered
17 under the contract, except as otherwise provided in this section. If
18 prosthetic devices are covered as a stand-alone benefit coverage
19 shall be consistent with the terms and conditions as described in
20 this section.

21 (b) In this section, “prosthetic device” means an artificial limb
22 device to replace, in whole or in part, an arm or leg.

23 (c) Any such contract as described in this section shall not
24 impose any annual or lifetime dollar maximum on coverage for
25 prosthetic devices other than an annual or lifetime dollar max-
26 imum that applies in the aggregate to all items and services cov-
27 ered under the contract.

28 (d) Any such contract as described in this section shall not
29 apply amounts paid for prosthetic devices to any annual or life-
30 time dollar maximum applicable to other durable medical equip-
31 ment covered under the policy other than an annual or lifetime
32 dollar maximum that applies in the aggregate to all items and
33 services covered under the contract.

34 (e) Any such contract as described in this section may include a
35 reasonable co-insurance requirement for prosthetic devices and
36 repairs, not to exceed 20% of the allowable cost of the prosthetic
37 device or repair, unless all covered benefits applying co-insurance
38 under the plan do so at a higher amount. If the contract provides
39 coverage for services from nonparticipating providers, the con-
40 tract may include a reasonable co-insurance requirement for pros-
41 thetic devices and repairs, not to exceed 40% of the allowable cost
42 of the prosthetic device or repair when obtained from a nonpartici-
43 pating provider, unless all covered benefits applying co-insurance
44 under the plan do so at a higher amount.

45 (f) Any such contract may require prior authorization as a con-
46 dition of coverage for prosthetic devices.

47 (g) Any such contract shall only be required to provide cov-
48 erage for the most appropriate medically necessary model that
49 adequately meets the medical needs of the policyholder.

1 SECTION 4. Chapter 176B of the General Laws is hereby
2 amended by inserting after section 4R the following new
3 section:—

4 Section 4S. (a) Any subscription certificate under an individual
5 or group medical service agreement, except certificates which pro-
6 vide supplemental coverage to Medicare or other governmental
7 programs, that shall be delivered, issued or renewed within the
8 commonwealth shall provide, as benefits to all individual sub-
9 scribers or members within the commonwealth and to all group
10 members having a principal place of employment within the com-

11 monwealth, coverage for prosthetic devices and repairs. If pros-
12 thetic devices are covered as a durable medical equipment benefit,
13 coverage shall be provided under the same terms and conditions
14 that apply to other durable medical equipment covered under the
15 policy, except as otherwise provided in this section. If prosthetic
16 devices are covered as a stand-alone prosthetic benefit, coverage
17 shall be consistent with the terms and conditions as described in
18 this section.

19 (b) In this section, “prosthetic device” means an artificial limb
20 device to replace, in whole or in part, an arm or leg.

21 (c) Any such certificate as described in this section shall not
22 impose any annual or lifetime dollar maximum on coverage for
23 prosthetic devices other than an annual or lifetime dollar max-
24 imum that applies in the aggregate to all items and services cov-
25 ered under the certificate.

26 (d) Any such certificate as described in this section shall not
27 apply amounts paid for prosthetic devices to any annual or life-
28 time dollar maximum applicable to other durable medical equip-
29 ment covered under the certificate other than an annual or lifetime
30 dollar maximum that applies in the aggregate to all items and
31 services covered under the certificate.

32 (e) Any such certificate as described in this section may include
33 a reasonable co-insurance requirement for prosthetic devices and
34 repairs, not to exceed 20% of the allowable cost of the prosthetic
35 device or repair, unless all covered benefits applying co-insurance
36 under the plan do so at a higher amount. If the certificate provides
37 coverage for services from nonparticipating providers, the con-
38 tract may include a reasonable co-insurance requirement for pros-
39 thetic devices and repairs, not to exceed 40% of the allowable cost
40 of the prosthetic device or repair when obtained from a nonparti-
41 cipating provider, unless all covered benefits applying co-insurance
42 under the plan do so at a higher amount.

43 (f) Any such certificate may require prior authorization as a
44 condition of coverage for prosthetic devices.

45 (g) Any such contract shall only be required to provide cov-
46 erage for the most appropriate medically necessary model that
47 adequately meets the medical needs of the policyholder.

1 SECTION 5. Chapter 176G of the General Laws is hereby
2 amended by inserting after section 4Q the following new
3 section:—

4 Section 4R. (a) Individual and group health maintenance con-
5 tracts shall provide coverage for prosthetic devices and repairs. If
6 prosthetic devices are covered as a durable medical equipment
7 benefit, coverage shall be provided under the same terms and con-
8 ditions that apply to other durable medical equipment covered
9 under the contracts, except as otherwise provided in this section.
10 If prosthetic devices are covered as a stand-alone prosthetic ben-
11 efit, coverage shall be consistent with the terms and conditions as
12 described in this section.

13 (b) In this section, “prosthetic device” means an artificial limb
14 device to replace, in whole or in part, an arm or leg.

15 (c) A health maintenance contract shall not impose any annual
16 or lifetime dollar maximum on coverage for prosthetic devices
17 other than an annual or lifetime dollar maximum that applies in
18 the aggregate to all items and services covered under the contract.

19 (d) A health maintenance contract shall not apply amounts paid
20 for prosthetic devices to any annual or lifetime dollar maximum
21 applicable to other durable medical equipment covered under the
22 contract other than an annual or lifetime dollar maximum that
23 applies in the aggregate to all items and services covered under
24 the contract.

25 (e) A health maintenance contract may include a reasonable co-
26 insurance requirement for prosthetic devices and repairs, not to
27 exceed 20% of the allowable cost of the prosthetic device or
28 repair, unless all covered benefits applying co-insurance under the
29 plan do so at a higher amount. If the health maintenance contract
30 provides coverage for services from nonparticipating providers,
31 the contract may include a reasonable co-insurance requirement
32 for prosthetic devices and repairs, not to exceed 40% of the allow-
33 able cost of the prosthetic device or repair when obtained from a
34 nonparticipating provider, unless all covered benefits applying co-
35 insurance under the plan do so at a higher amount.

36 (f) A health maintenance contract may require prior authoriza-
37 tion as a condition of coverage for prosthetic devices.

38 (g) A health maintenance contract shall only be required to pro-
39 vide coverage for the most appropriate medically necessary model
40 that adequately meets the medical needs of the policyholder.

1 SECTION 6. This act shall apply to all policies, contracts,
2 agreements, plans or certificates of insurance issued or delivered
3 within the commonwealth on or after January 1, 2007, or upon
4 renewal to all policies, contracts, agreements, plans or certificates
5 of insurance in effect before January 1, 2007.