

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, which are rendered to treat acute mental illness and emotional disorders, shall be at a rate which is not less than 65 percent for the first 20 visits per calendar year or benefit period and not less than 50 percent for any visits thereafter for that calendar year or benefit period, of the benefits which the policy provides for other types of illness; and

(3) (i) With respect to benefits for residency in a Department of Health and Mental Hygiene approved psychiatric halfway house, the period of residency for which benefits are payable shall be at least 120 days and shall be at a rate which is not less than 75 percent of the per diem rate which amount may not exceed \$30 per day;

(ii) Justification for length of stay shall be documented by a qualified psychiatrist or psychologist based on a monthly evaluation of the patient which is available to the nonprofit health service plan at their request;

(iii) The nonprofit health service plan, as a condition precedent to the allowance for benefits for residency in a psychiatric halfway house, may require the certification in writing by a licensed psychiatrist or psychologist that residency in a psychiatric halfway house is medically necessary either in lieu of or in combination with confinement as an inpatient in a hospital and will reduce the length of confinement as an inpatient in a hospital;

(iv) The total benefits payable for treatment as an inpatient in a hospital or residency in a psychiatric halfway house or a combination of both may not exceed the cost of benefits available annually for treatment as an inpatient in a hospital.

(b) The provisions of this section apply to all policies issued, renewed, modified, altered, amended, or reissued on or after July 1, 1973.]

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(a) After January 1, 1977, every nonprofit health service plan which proposes to issue a group hospital policy in Maryland shall offer the prospective group policyholder at an appropriate premium adjustment, if any, the option of providing benefits for the cost of psychiatric care through partial hospitalization.

(b) As used in this section, partial hospitalization means a psychiatric service offered in a hospital or in a psychiatric day care treatment center or in a community mental health facility providing medically directed intensive or intermediate short-term psychiatric treatment for a period of less than 24 hours but more than 4 hours in a day for any individual patient.