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Bulletin No. 97-01

To: **Commercial Health Insurers, Blue Cross and Blue Shield of Massachusetts (BCBSMA), Health Maintenance Organizations**

FROM: **David Mulligan, Commissioner of Public Health**
Linda Ruthardt, Commissioner of Insurance

RE: **Coverage for Minimum Hospital Stays and Postpartum Care**

DATE: **February 21, 1997**

This bulletin is to remind carriers of their responsibilities under St. 1995, c. 218 (Chapter 218) which requires a minimum hospital stay for childbirth and postpartum care benefits. The following is a list of recommendations or mandates required under the statute:

- Carriers are required to notify their insureds of their benefits under this law;
- Carriers acting as third party administrators are encouraged to assist their customers to ensure that employees covered by self-insured health plans operating under the Federal Employee Retirement Income Act of 1974 (ERISA) receive adequate notice of whether or not their plans provide coverage which is consistent with that required under the new mandate;
- Remind carriers that Chapter 218, § 9 does not permit commercial health insurers, BCBSMA and HMO's to penalize health care providers for ordering care consistent with the new law.

Recently passed federal legislation, the Newborns' and Mothers' Health Protection Act of 1996, requires self-insured health plans, as early as January 1, 1998, to provide coverage which is similar to that required by Chapter 218. It should be noted that many self-insured health plans not currently mandated to provide coverage under Chapter 218 have voluntarily chosen to provide comparable benefits to their plan participants. We would strongly encourage others to do so in the best interest of both the mother and infant and will continue to support such efforts.

Notification Requirements

Carriers must notify insureds of the benefits required to be provided pursuant to Chapter 218, which include coverage for hospital stays of 48 hours after a vaginal delivery and 96 hours after a cesarean section. Carriers must also notify insureds that they are entitled to a minimum of one home visit (and the content of the home visit) should they elect to participate in an early

discharge. Insureds should also be provided with a notification of their right to appeal and the Department of Public Health's 24 hour telephone number to call in order to file an appeal (800) 436-7757. In addition, insureds should be provided with telephone numbers for the Department of Public Health (617) 624-6095 and the Division of Insurance (617) 521-7777 for general consumer inquiries. It is also recommended that carriers include a copy of the most current Patient's Rights Notice (available in 12 languages at the Department of Public Health) when notifying insureds of their benefits.

Third Party Administrators Should Notify Plan Participants of their Coverage

The Division of Insurance and the Department of Public Health have been informed by hospitals that it is often difficult to determine whether a plan participant covered under a self-insured health plan is entitled to benefits which are comparable to those mandated by Chapter 218. We ask that all carriers acting as third party administrators help their customers inform plan participants of whether their specific plan covers these benefits. Any other action you can take to help ensure that hospital billing departments can easily ascertain whether a plan participant covered under a self-insured health plan will be afforded benefits consistent with Chapter 218 will be appreciated. For example, indicating on a plan participant's identification card that a plan is self-funded or notifying patients during the prenatal period whether their self-funded plan provides benefits comparable to those mandated by Chapter 218 helps.

Health Care Providers May Not be Penalized for Ordering Care Consistent with Chapter 218

Commercial insurance carriers, HMOs and BCBSMA are reminded that Chapter 218, § 9 does not permit any policy or plan covered under Chapter 218 to terminate the services, deselect, reduce capitation payment, or penalize an attending physician or other health care provider for ordering care consistent with the provisions of the Act.

Questions regarding this bulletin should be directed to Caroline E. DeStefano, Assistant General Counsel, Division of Insurance at (617) 521-7364. Questions regarding the Department of Public Health's regulations should be directed to the Bureau of Family and Community Health at (617) 624-6095.