

March 21, 2007

H 973. MENTAL HEALTH EQUITABLE COVERAGE. Filed 3/21/07. *TO REQUIRE EQUITY IN HEALTH INSURANCE COVERAGE FOR MENTAL ILLNESS AND CHEMICAL DEPENDENCY.*

Amends GS 58-51-50 and enacts new GS 58-3-220 to require every group health benefit plan to provide benefits for the treatment of chemical dependency and mental illness that are subject to the same limits as are benefits for physical illness generally. *Limits* includes durational limits, deductibles, coinsurance factors, co-payments, maximum out-of-pocket limits, annual and lifetime dollar limits, and other dollar limits fees for covered services. If a group health benefit plan contains limits only on selected physical illness and injury benefits, and these benefits do not represent substantially all of the physical illness and injury benefits under the plan, then the insurer may impose limits on the chemical dependency or mental illness treatment benefits based on a weighted average of the respective limits on the selected physical illness and injury benefits. Permits insurers to use a case management program for determining the medical necessity and appropriateness of chemical dependency care and treatment. Requires group health benefit plans to provide payments for chemical dependency care and treatment provided by licensed clinical social workers, certified substance abuse professionals, and licensed professional counselors who work in facilities currently qualified by statute to receive payment for services (hospitals, residential treatment programs, social setting detoxification facilities, and medical detoxification programs). Amends applicable definitions of *mental illness* to reference mental disorders recognized by the Diagnostic and Statistical Manual of Mental Disorders, DSM-IV, or a subsequent edition.

Amends GS 58-65-75 and GS 58-67-70 to make the foregoing description of requirements regarding chemical dependency benefits applicable also to group insurance certificates and group subscriber contracts under any hospital or medical plan, as well as health maintenance organization health care plans. Amends GS 58-50-155 to make the chemical dependency and mental illness equity provisions applicable to any standard health plan developed and approved under GS 58-50-125. Makes other conforming changes. Effective January 1, 2008, and applicable to health benefit plans delivered or renewed on or after that date.

Intro. by Alexander.

GS 58

May 8, 2007

H 973. MENTAL HEALTH EQUITABLE COVERAGE. Filed 3/21/07. House committee substitute makes the following changes to 1st edition. Amends the definition of *health benefit plan* to specify that it includes the Teachers' and State Employees' Comprehensive Major Medical Plan (Plan) and the Plan's optional PPO program. Expands the list of classes of licensed providers for which benefits for necessary care and treatment of chemical dependency must be provided. Additions to the list are psychologists, nurse specialists, nurse practitioners, psychological associates, marriage and family therapists, clinical addictions specialists, and clinical supervisors.

May 22, 2007

H 973. MENTAL HEALTH EQUITABLE COVERAGE. Filed 3/21/07. House committee substitute makes the following changes to 2nd edition. Removes provisions affecting coverage for chemical dependency. Specifically: (1) Deletes changes to GS 58-51-50, GS 58-65-75, and GS 58-67-70 (coverage for chemical dependency treatment). (2) Modifies GS 58-51-55, GS 58-65-90, and GS 58-67-75 (no discrimination against mentally ill and chemically dependent individuals) by deleting alterations to the definition of *chemical dependency* and restoring the provisions that state that coverage for chemical dependency is not required. (3) Conforms long title by deleting reference to equity in coverage for chemical dependency.

Rewrites the parts of new GS 58-3-220 (mental illness benefits coverage) that address determinations of medical necessity, replacing provisions that authorized the use of case management programs and prior authorization with a provision authorizing the application of utilization review criteria, as long as certain requirements, such as an appeal process, are included. Makes a similar change to GS 58-50-155 (standard and basic health care plan coverages).

May 23, 2007

H 973. MENTAL HEALTH EQUITABLE COVERAGE. Filed 3/21/07. House amendment makes the following changes to 3rd edition. Amends GS 58-51-55(d) (proscribing discrimination against mentally ill and chemically dependent individuals by insurance companies licensed in NC), adds new GS 58-3-220(e) (governing mental illness benefits coverage by health insurers), amends GS 58-65-90 (proscribing discrimination against mentally ill and chemically dependent individuals by service corporations), and amends GS 58-67-75(d) (proscribing discrimination against mentally ill and chemically dependent individuals by health maintenance organizations) to provide that the provisions of these sections are applicable only to group health insurance contracts, group health benefits plans, subscriber contracts, and group contracts covering more than 25 employees (other than excepted benefits as defined in GS 58-68-25). Modifies proposed GS 58-50-155(a)(7) to remove language that would have required the standard health plan developed and approved under GS 58-50-125 to provide coverage for treatment of mental illness that is at least equal to the coverage required by GS 58-51-50.

June 28, 2007

H 973. MENTAL HEALTH EQUITABLE COVERAGE. Filed 3/21/07. Senate committee substitute makes the following changes to 4th edition. Modifies proposed new GS 58-3-220 to remove the Teachers' and State Employees' Comprehensive Major Medical Plan and the Plan's optional PPO program, which had been specifically included in an earlier version of the bill, from the definition of *health benefit plan*. Removes the small business exemption that was added in the previous edition, so that all group health plans, not just those covering more than 25 employees, are required to provide benefits for the treatment of mental illness that are no less favorable than benefits for physical illness. Also narrows the mental illnesses that are subject to the same durational limits as benefits for physical illness to nine specified mental illnesses. Allows a group health plan to apply durational limits to mental illnesses, other than the nine listed mental illnesses, that differ from the duration limits that apply to physical illnesses. Establishes a minimum number of office visits and combined inpatient and outpatient days for mental illnesses and disorders, other than the nine listed mental illnesses. Also provides that nothing requires an insurer to cover treatment or studies leading to or in connection with sex changes or modifications, and excludes from the definition of mental illnesses sexual dysfunctions that are not due to organic disease.

Amends statutes prohibiting discrimination against mentally ill or chemically dependent individuals, GS 58-51-55, GS 58-65-90, and GS 58-67-75 to remove the small business exemption. Amends the definition of *chemical dependency*. Makes conforming changes.

Changes the effective date from January 1, 2008, to July 1, 2008. Changes the title and makes technical and conforming changes.

July 28, 2007

SL 2007-268 (H 973). MENTAL HEALTH EQUITABLE COVERAGE. AN ACT TO REQUIRE MANDATORY HEALTH INSURANCE COVERAGE OF CERTAIN MENTAL ILLNESSES AND TO REQUIRE AT LEAST A MINIMUM BENEFIT PACKAGE FOR OTHER MENTAL ILLNESSES. Summarized in *Daily Bulletin* 3/21/07, 5/8/07, 5/22/07, 5/23/07, and 6/28/07. Enacted July 27, 2007. Effective July 1, 2008.