

By: Lucio

S.B. No. 208

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage for an enrollee with certain mental disorders, including autism or another pervasive developmental disorder.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 1355, Insurance Code, as effective April 1, 2005, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. INDIVIDUAL HEALTH BENEFIT PLAN COVERAGE FOR ENROLLEE WITH AUTISM OR PERVASIVE DEVELOPMENTAL DISORDER

Sec. 1355.251. DEFINITION. In this subchapter, "enrollee" means an individual who is enrolled in a health benefit plan, including a covered dependent.

Sec. 1355.252. APPLICABILITY OF SUBCHAPTER. (a) This subchapter applies only to an individual health benefit plan that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including an individual insurance policy or insurance agreement, an individual evidence of coverage, or similar coverage document that is offered by:

(1) an insurance company;

(2) a group hospital service corporation operating under Chapter 842;

(3) a fraternal benefit society operating under Chapter 885;

1 (4) a stipulated premium insurance company operating
2 under Chapter 884;

3 (5) a reciprocal exchange operating under Chapter 942;

4 (6) a Lloyd's plan operating under Chapter 941;

5 (7) a health maintenance organization operating under
6 Chapter 843;

7 (8) a multiple employer welfare arrangement that holds
8 a certificate of authority under Chapter 846; or

9 (9) an approved nonprofit health corporation that
10 holds a certificate of authority under Chapter 844.

11 (b) Notwithstanding Section 172.014, Local Government Code,
12 or any other law, this subchapter applies to health and accident
13 coverage provided by a risk pool created under Chapter 172, Local
14 Government Code.

15 Sec. 1355.253. EXCEPTION. This subchapter does not apply
16 to:

17 (1) a plan that provides coverage:

18 (A) only for benefits for a specified disease or
19 for another limited benefit, other than a plan that provides
20 benefits for mental health or similar services;

21 (B) only for accidental death or dismemberment;

22 (C) for wages or payments in lieu of wages for a
23 period during which an employee is absent from work because of
24 sickness or injury;

25 (D) as a supplement to a liability insurance
26 policy;

27 (E) only for dental or vision care; or

- 1 (F) only for indemnity for hospital confinement;
2 (2) a small employer health benefit plan written under
3 Chapter 1501;
4 (3) a Medicare supplemental policy as defined by
5 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss);
6 (4) a workers' compensation insurance policy;
7 (5) medical payment insurance coverage provided under
8 an automobile insurance policy; or
9 (6) a long-term care insurance policy, including a
10 nursing home fixed indemnity policy, unless the commissioner
11 determines that the policy provides benefit coverage so
12 comprehensive that the policy is a health benefit plan as described
13 by Section 1355.252.

14 Sec. 1355.254. EXCLUSION OF COVERAGE AND DENIAL OF BENEFITS
15 PROHIBITED. A health benefit plan may not exclude coverage or deny
16 benefits otherwise available to an enrollee for treatment,
17 equipment, or therapy based on the enrollee's having autism or a
18 pervasive developmental disorder.

19 Sec. 1355.255. RULES. The commissioner shall adopt rules
20 as necessary to administer this subchapter.

21 SECTION 2. Section 1355.001(1), Insurance Code, as
22 effective April 1, 2005, is amended to read as follows:

23 (1) "Serious mental illness" means the following
24 psychiatric illnesses as defined by the American Psychiatric
25 Association in the Diagnostic and Statistical Manual (DSM):

26 (A) bipolar disorders (hypomanic, manic,
27 depressive, and mixed);

- 1 (B) depression in childhood and adolescence;
- 2 (C) major depressive disorders (single episode
- 3 or recurrent);
- 4 (D) obsessive-compulsive disorders;
- 5 (E) paranoid and other psychotic disorders;
- 6 (F) pervasive developmental disorders, including
- 7 autism;
- 8 (G) schizo-affective disorders (bipolar or
- 9 depressive); and
- 10 (H) schizophrenia.

11 SECTION 3. Section 1355.002, Insurance Code, as effective

12 April 1, 2005, is amended to read as follows:

13 Sec. 1355.002. APPLICABILITY OF SUBCHAPTER. This

14 subchapter applies only to a group health benefit plan that

15 provides benefits for medical or surgical expenses incurred as a

16 result of a health condition, accident, or sickness, including:

17 (1) a group, blanket, or franchise insurance policy,

18 group insurance agreement, group hospital service contract, or

19 group evidence of coverage that is offered by:

- 20 (A) an insurance company;
- 21 (B) a group hospital service corporation
- 22 operating under Chapter 842;
- 23 (C) a fraternal benefit society operating under
- 24 Chapter 885;
- 25 (D) a stipulated premium company operating under
- 26 Chapter 884; [~~or~~]
- 27 (E) a health maintenance organization operating

1 under Chapter 843;

2 (F) a reciprocal exchange operating under
3 Chapter 942;

4 (G) a Lloyd's plan operating under Chapter 941;
5 or

6 (H) an approved nonprofit health corporation
7 that holds a certificate of authority under Chapter 844; and

8 (2) to the extent permitted by the Employee Retirement
9 Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.), a plan
10 offered under:

11 (A) a multiple employer welfare arrangement that
12 holds a certificate of authority under Chapter 846 [~~as defined by~~
13 ~~Section 3 of that Act~~]; or

14 (B) another analogous benefit arrangement.

15 SECTION 4. Section 1355.003(a), Insurance Code, as
16 effective April 1, 2005, is amended to read as follows:

17 (a) This subchapter does not apply to coverage under:

18 (1) [~~a blanket accident and health insurance policy,~~
19 ~~as described by Chapter 1251,~~

20 ~~(2)] a short-term travel policy;~~

21 (2) [~~(3)] an accident-only policy;~~

22 (3) [~~(4)] a limited or specified-disease policy that~~
23 does not provide benefits for mental health care or similar
24 services;

25 (4) [~~(5)] except as provided by Subsection (b), a plan~~
26 offered under Chapter 1551 or Chapter 1601;

27 (5) [~~(6)] a plan offered in accordance with Section~~

1 1355.151; or

2 (6) [~~(7)~~] a Medicare supplement benefit plan, as
3 defined by Section 1652.002.

4 SECTION 5. Section 1355.004(a), Insurance Code, as
5 effective April 1, 2005, is amended to read as follows:

6 (a) A group health benefit plan:

7 (1) must provide coverage, based on medical necessity,
8 for not less than the following treatments of serious mental
9 illness in each calendar year:

10 (A) 45 days of inpatient treatment; and

11 (B) 60 visits for outpatient treatment,
12 including group and individual outpatient treatment;

13 (2) may not include a lifetime limitation on the
14 number of days of inpatient treatment or the number of visits for
15 outpatient treatment covered under the plan; [~~and~~]

16 (3) must include equipment and therapy in the coverage
17 of treatment of pervasive developmental disorders; and

18 (4) must include the same amount limitations,
19 deductibles, copayments, and coinsurance factors for serious
20 mental illness as the plan includes for physical illness.

21 SECTION 6. Subchapter A, Chapter 1355, Insurance Code, as
22 effective April 1, 2005, is amended by adding Section 1355.008 to
23 read as follows:

24 Sec. 1355.008. RULES. The commissioner shall adopt rules
25 as necessary to administer this subchapter.

26 SECTION 7. The change in law made by this Act applies only
27 to a health benefit plan delivered, issued for delivery, or renewed

1 on or after January 1, 2006. A health benefit plan delivered,
2 issued for delivery, or renewed before January 1, 2006, is governed
3 by the law as it existed immediately before the effective date of
4 this Act, and that law is continued in effect for that purpose.

5 SECTION 8. This Act takes effect September 1, 2005.