

By: Isett

H.B. No. 3279

A BILL TO BE ENTITLED

AN ACT

relating to group health benefit plan coverage for an enrollee with certain mental disorders.

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

SECTION 1. The heading to Subchapter A, Chapter 1355, Insurance Code, is amended to read as follows:

SUBCHAPTER A. [~~GROUP~~] HEALTH BENEFIT PLAN COVERAGE FOR CERTAIN MENTAL DISORDERS AND SERIOUS MENTAL ILLNESSES

SECTION 2. Section 1355.001, Insurance Code, is amended to read as follows:

Sec. 1355.001. DEFINITIONS. In this subchapter:

(1) "Enrollee" means an individual who is enrolled in a group health benefit plan, including a covered dependent.

(2) "Mental disorder" means the following psychiatric illnesses, as defined by the American Psychiatric Association in the Diagnostic and Statistical Manual of Mental Disorders, fourth edition, or a subsequent edition of that manual that the commissioner by rule adopts to take the place of the fourth edition:

(A) mood disorders:

(i) major depressive disorder;

(ii) dysthymic disorder;

(iii) bipolar I disorder;

(iv) bipolar II disorder; and

(v) cyclothymic disorder;

1 (B) attention-deficit and disruptive behavior

2 disorders:

3 (i) attention-deficit/hyperactivity

4 disorder;

5 (ii) conduct disorder; and

6 (iii) oppositional defiant disorder;

7 (C) feeding and eating disorders of infancy or

8 early childhood:

9 (i) pica;

10 (ii) rumination disorder; and

11 (iii) feeding disorder of infancy or early

12 childhood;

13 (D) anxiety disorders:

14 (i) panic disorder;

15 (ii) agoraphobia;

16 (iii) specific phobia;

17 (iv) social phobia;

18 (v) obsessive-compulsive disorder;

19 (vi) post-traumatic stress disorder;

20 (vii) acute stress disorder; and

21 (viii) generalized anxiety disorder;

22 (E) pervasive developmental disorders:

23 (i) autistic disorder;

24 (ii) Rett's disorder;

25 (iii) childhood disintegrative disorder;

26 and

27 (iv) Asperger's disorder;

1 (F) eating disorders:

2 (i) anorexia nervosa; and

3 (ii) bulimia nervosa;

4 (G) schizophrenia and other psychotic disorders:

5 (i) schizophreniform disorder;

6 (ii) schizo-affective disorder;

7 (iii) delusional disorder; and

8 (iv) brief psychotic disorder; and

9 (H) dissociative disorders:

10 (i) amnesia;

11 (ii) fugue;

12 (iii) identity disorder; and

13 (iv) depersonalization disorder.

14 (3) "Serious mental illness" means a mental disorder
15 that is one of the following psychiatric illnesses as defined by the
16 American Psychiatric Association in the Diagnostic and Statistical
17 Manual (DSM), fourth edition, or a subsequent edition of that
18 manual that the commissioner by rule adopts to take the place of the
19 fourth edition:

20 (A) bipolar disorders (hypomanic, manic,
21 depressive, and mixed);

22 (B) depression in childhood and adolescence;

23 (C) major depressive disorders (single episode
24 or recurrent);

25 (D) obsessive-compulsive disorders;

26 (E) paranoid and other psychotic disorders;

27 (F) pervasive developmental disorders;

1 (G) schizo-affective disorders (bipolar or
2 depressive); and

3 (H) schizophrenia.

4 (4) [~~(2)~~] "Small employer" has the meaning assigned by
5 Section 1501.002.

6 SECTION 3. Section 1355.002, Insurance Code, is amended to
7 read as follows:

8 Sec. 1355.002. CONSTRUCTION AND APPLICABILITY OF
9 SUBCHAPTER. (a) This subchapter may not be construed to limit any
10 medical treatment described in a billing code listed in the
11 International Classification of Diseases, ninth edition, of the
12 World Health Organization, or a subsequent edition of that
13 publication that the commissioner by rule adopts to take the place
14 of the ninth edition.

15 (b) This subchapter applies only to a group health benefit
16 plan that provides benefits for medical or surgical expenses
17 incurred as a result of a health condition, accident, or sickness,
18 including:

19 (1) a group insurance policy, group insurance
20 agreement, group hospital service contract, or group evidence of
21 coverage that is offered by:

22 (A) an insurance company;

23 (B) a group hospital service corporation
24 operating under Chapter 842;

25 (C) a fraternal benefit society operating under
26 Chapter 885;

27 (D) a stipulated premium company operating under

1 Chapter 884; ~~or~~

2 (E) a health maintenance organization operating
3 under Chapter 843;

4 (F) a reciprocal exchange operating under
5 Chapter 942;

6 (G) a Lloyd's plan operating under Chapter 941;
7 or

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

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

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

16 ~~[(B) another analogous benefit arrangement].~~

17 SECTION 4. Section 1355.003(a), Insurance Code, is amended
18 to read as follows:

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

20 (1) a blanket accident and health insurance policy, as
21 described by Chapter 1251;

22 (2) a short-term travel policy;

23 (3) an accident-only policy;

24 (4) a plan that provides coverage:

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

- 1 (B) only for accidental death or dismemberment;
2 (C) for wages or payments in lieu of wages for a
3 period during which an employee is absent from work because of
4 sickness or injury;
5 (D) as a supplement to a liability insurance
6 policy;
7 (E) only for dental or vision care; or
8 (F) only for indemnity for hospital confinement;
9 (5) a Medicare supplemental policy as defined by
10 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss);
11 (6) a workers' compensation insurance policy;
12 (7) medical payment insurance coverage provided under
13 an automobile insurance policy;
14 (8) a credit insurance policy;
15 (9) a franchise insurance policy;
16 (10) a plan that is subject to individual
17 underwriting;
18 (11) a long-term care insurance policy, including a
19 nursing home fixed indemnity policy, unless the commissioner
20 determines that the policy provides benefit coverage so
21 comprehensive that the policy is a group health benefit plan as
22 described by Section 1355.002 [~~limited or specified-disease policy~~
23 that does not provide benefits for mental health care or similar
24 services];
25 (12) [~~(5)~~] except as provided by Subsection (b), a
26 plan offered under Chapter 1551 or Chapter 1601; or
27 (13) [~~(6)~~] a plan offered in accordance with Section

1 1355.151[~~7 or~~

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

4 SECTION 5. Subchapter A, Chapter 1355, Insurance Code, is
5 amended by adding Section 1355.0035 to read as follows:

6 Sec. 1355.0035. REQUIRED COVERAGE FOR MENTAL DISORDERS.

7 (a) Except as provided by Subsection (b), a group health benefit
8 plan must provide coverage for the diagnosis and medically
9 necessary treatment of an enrollee's mental disorder under terms at
10 least as favorable as coverage provided to the enrollee for the
11 diagnosis and treatment of medical and surgical conditions.

12 (b) This section does not apply to a consumer choice of
13 benefits health insurance plan under Chapter 1507.

14 SECTION 6. Section 1355.004, Insurance Code, is amended by
15 adding Subsection (c) to read as follows:

16 (c) This section does not apply to a group health benefit
17 plan required to provide coverage under Section 1355.0035(a).

18 SECTION 7. Section 1355.005, Insurance Code, is amended to
19 read as follows:

20 Sec. 1355.005. MANAGED CARE PLAN AUTHORIZED. A group
21 health benefit plan issuer may provide or offer coverage required
22 by Section 1355.0035 or 1355.004 through a managed care plan.

23 SECTION 8. Subchapter A, Chapter 1355, Insurance Code, is
24 amended by adding Section 1355.0055 to read as follows:

25 Sec. 1355.0055. COVERAGE EQUITY. (a) A group health
26 benefit plan subject to Section 1355.0035 may not impose treatment
27 limitations or financial requirements on the provision of benefits

1 under this subchapter for a mental disorder if identical
2 limitations or requirements are not imposed on coverage of benefits
3 for other medical conditions.

4 (b) A deductible or out-of-pocket limit required under a
5 health benefit plan that is subject to Section 1355.0035 must be
6 comprehensive for coverage of both mental health and physical
7 health conditions.

8 SECTION 9. Subchapter A, Chapter 1355, Insurance Code, is
9 amended by adding Section 1355.008 to read as follows:

10 Sec. 1355.008. RULES. The commissioner, in accordance with
11 Section 36.001, shall adopt rules as necessary to administer this
12 subchapter.

13 SECTION 10. Section 1355.151(b), Insurance Code, is amended
14 to read as follows:

15 (b) A political subdivision that provides group health
16 insurance coverage, health maintenance organization coverage, or
17 self-insured health care coverage to the political subdivision's
18 officers or employees may not contract for or provide coverage that
19 is less extensive for serious mental illness than the coverage
20 provided for any ~~other~~ physical illness.

21 SECTION 11. The change in law made by this Act applies only
22 to a group health benefit plan delivered, issued for delivery, or
23 renewed on or after January 1, 2008. A group health benefit plan
24 delivered, issued for delivery, or renewed before January 1, 2008,
25 is governed by the law as it existed immediately before the
26 effective date of this Act, and that law is continued in effect for
27 that purpose.

1 SECTION 12. This Act takes effect September 1, 2007.