

BILL ANALYSIS

C.S.H.B. 1192
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Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Certain group health benefit plans are required to provide coverage to individuals for the treatment of a serious mental illness. Children who suffer from a serious emotional disturbance generally are excluded from such coverage. C.S.H.B. 1192 seeks to address this situation by expanding mental health coverage required to be provided under certain group health plans to include coverage for children with a serious emotional disturbance.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1192 amends the Insurance Code to expand the requirement that a group health benefit plan provide coverage for a specified period of inpatient and outpatient treatment for serious mental illness to include coverage for a diagnosed serious emotional disturbance of a child. The bill requires such a plan to include the same amount limitations, deductibles, copayments, and coinsurance factors for serious emotional disturbance of a child as the plan includes for physical illness.

C.S.H.B. 1192 defines "serious emotional disturbance of a child" to mean an emotional or behavioral disorder or a neuropsychiatric condition that causes a person's functioning to be impaired in thought, perception, affect, or behavior and that has been diagnosed, by a physician licensed to practice medicine in Texas, a psychologist licensed to practice in Texas, or a licensed professional counselor licensed to practice in Texas, in a person who is at least three years of age and younger than 17 years of age and that meets at least one of the following criteria:

- the disorder substantially impairs the person's ability in at least two of the following activities or tasks: self-care, engaging in family relationships, functioning in school, or functioning in the community;
- the disorder creates a risk that the person will be removed from the person's home and placed in a more restrictive environment, including in a facility or program operated by the Department of Family and Protective Services or an agency that is part of the juvenile justice system;
- the disorder causes the person to display psychotic features or violent behavior or pose a danger to the person's self or others; or
- the disorder results in the person meeting state special education eligibility requirements for serious emotional disturbance.

C.S.H.B. 1192 requires the Texas Department of Insurance (TDI) to conduct a study to determine and evaluate the extent to which enrollees are making claims under coverage for serious emotional disturbance of a child and the impact, if any, the coverage for serious

emotional disturbance of a child and the claims have on the cost of coverage for group health benefit plans. The bill requires TDI, not later than August 1, 2012, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the appropriate standing committees of the legislature a report regarding the results of the study, together with any recommendations for legislation. The bill establishes that the bill's provisions requiring the study and report expire September 1, 2013.

C.S.H.B. 1192 authorizes the use of benefits of coverage provided for alternative mental health treatment in a situation in which serious emotional disturbance of a child requires confinement of the individual in a hospital or treatment in a residential treatment center for children and adolescents or a crisis stabilization unit and the covered individual's emotional disturbance substantially impairs the individual's thought, perception of reality, emotional process, or judgment or grossly impairs the individual's behavior.

C.S.H.B. 1192 makes its provisions applicable only to a group health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2012.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1192 differs from the original, in the provisions defining "serious emotional disturbance of a child," by specifying that the term refers to a certain disorder or condition that has been diagnosed in a child by a physician licensed to practice medicine in Texas, a psychologist licensed to practice in Texas, or a licensed professional counselor licensed to practice in Texas, whereas the original does not specify the person making such diagnosis. The substitute omits a specification included in the original establishing that such disorder or condition, for purposes of that definition, is a disorder or condition that results in behavior inappropriate to the person's age according to expected developmental norms.

C.S.H.B. 1192 differs from the original in the criteria required to be met by the disorder, for purposes of that definition, by omitting the condition that the disorder be likely to continue without treatment. The substitute differs from the original by including among those same criteria, for purposes of that definition, the condition that the disorder creates a risk that the person will be removed from the person's home and placed in a more restrictive environment, including in a facility or program operated by the Department of Family and Protective Services or an agency that is part of the juvenile justice system, rather than a risk that the person will be removed from the person's home, as in the original. The substitute differs from the original by including among those same criteria, for purposes of that definition, the condition that the disorder results in the person meeting state special education eligibility requirements for serious emotional disturbance, rather than results in the person meeting state special education eligibility requirements, as in the original.