

By: Thompson of Harris

H.B. No. 126

A BILL TO BE ENTITLED

AN ACT

relating to the requirement and study of insurance coverage for serious emotional disturbance of a child.

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

SECTION 1. Section 1355.001, Insurance Code, is amended by adding Subdivision (5) to read as follows:

(5) "Serious emotional disturbance of a child" means 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:

(A) has been diagnosed, by a physician licensed to practice medicine in this state, a psychologist licensed to practice in this state, or a licensed professional counselor licensed to practice in this state, in a person who is at least three years of age and younger than 18 years of age; and

(B) meets at least one of the following criteria:

(i) the disorder or condition substantially impairs the person's ability in at least two of the following activities or tasks:

(a) self-care;

(b) engaging in family relationships;

(c) functioning in school; or

(d) functioning in the community;

(ii) the disorder or condition creates a

1 risk that the person will be removed from the person's home and  
2 placed in a more restrictive environment, including in a facility  
3 or program operated by the Department of Family and Protective  
4 Services or an agency that is part of the juvenile justice system;

5 (iii) the disorder or condition causes the  
6 person to:

7 (a) display psychotic features or  
8 violent behavior; or

9 (b) pose a danger to the person's self  
10 or others; or

11 (iv) the disorder or condition results in  
12 the person meeting state special education eligibility  
13 requirements for emotional disturbance.

14 SECTION 2. Subchapter A, Chapter 1355, Insurance Code, is  
15 amended by adding Section 1355.0041 to read as follows:

16 Sec. 1355.0041. REQUIRED COVERAGE FOR SERIOUS EMOTIONAL  
17 DISTURBANCE OF A CHILD. (a) Notwithstanding Section 1355.002,  
18 this section does not apply to:

19 (1) a basic plan under Chapter 1575; or

20 (2) a primary care coverage plan under Chapter 1579.

21 (b) A group health benefit plan:

22 (1) must provide coverage for serious emotional  
23 disturbance of a child, based on medical necessity, for not less  
24 than the following treatments in each calendar year:

25 (A) 45 days of inpatient treatment; and

26 (B) 60 visits for outpatient treatment,  
27 including group and individual outpatient treatment;

1           (2) may not include a lifetime limitation on the  
2 number of days of inpatient treatment or the number of visits for  
3 outpatient treatment covered under the plan; and

4           (3) must include the same amount limitations,  
5 deductibles, copayments, and coinsurance factors for serious  
6 emotional disturbance of a child as the plan includes for physical  
7 illness.

8           (c) A group health benefit plan issuer:

9           (1) may not count an outpatient visit for medication  
10 management against the number of outpatient visits required to be  
11 covered under Subsection (b)(1)(B); and

12           (2) must provide coverage for an outpatient visit  
13 described by Subsection (b)(1)(B) under the same terms as the  
14 coverage the issuer provides for an outpatient visit for the  
15 treatment of physical illness.

16           (d) The department shall conduct a study to determine and  
17 evaluate the extent to which enrollees make claims under coverage  
18 for serious emotional disturbance of a child and the impact, if any,  
19 the coverage for serious emotional disturbance of a child and the  
20 claims have on the cost of the coverage for group health benefit  
21 plans.

22           (e) Not later than August 1, 2018, the department shall  
23 submit to the governor, the lieutenant governor, the speaker of the  
24 house of representatives, and the appropriate standing committees  
25 of the legislature a report regarding the results of the study  
26 required by Subsection (d), together with any recommendations for  
27 legislation.

1       (f) This subsection and Subsections (d) and (e) expire  
2 September 1, 2019.

3       SECTION 3. Sections 1355.005 and 1355.007, Insurance Code,  
4 are amended to read as follows:

5       Sec. 1355.005. MANAGED CARE PLAN AUTHORIZED. A group  
6 health benefit plan issuer may provide or offer coverage required  
7 by Section 1355.004 or 1355.0041 through a managed care plan.

8       Sec. 1355.007. SMALL EMPLOYER COVERAGE. An issuer of a  
9 group health benefit plan to a small employer must offer the  
10 coverage described by Section 1355.004 or 1355.0041 to the employer  
11 but is not required to provide the coverage if the employer rejects  
12 the coverage.

13       SECTION 4. Section 1355.051, Insurance Code, is amended by  
14 adding Subdivision (4) to read as follows:

15               (4) "Serious emotional disturbance of a child" has the  
16 meaning assigned by Section 1355.001.

17       SECTION 5. Section 1355.053, Insurance Code, is amended to  
18 read as follows:

19       Sec. 1355.053. REQUIRED COVERAGE FOR CERTAIN ILLNESSES,  
20 ~~[AND]~~ DISORDERS, AND CONDITIONS. A group health benefit plan that  
21 provides coverage for treatment of mental or emotional illness or  
22 disorder or serious emotional disturbance of a child for a covered  
23 individual when the individual is confined in a hospital must also  
24 provide coverage for treatment in a residential treatment center  
25 for children and adolescents or a crisis stabilization unit that is  
26 at least as favorable as the coverage the plan provides for  
27 treatment of mental or emotional illness or disorder or serious

1 emotional disturbance of a child in a hospital.

2 SECTION 6. Section 1355.054(a), Insurance Code, is amended  
3 to read as follows:

4 (a) Benefits of coverage provided under this subchapter may  
5 be used only in a situation in which:

6 (1) the covered individual has a serious mental  
7 illness or serious emotional disturbance of a child that requires  
8 confinement of the individual in a hospital unless treatment is  
9 available through a residential treatment center for children and  
10 adolescents or a crisis stabilization unit; and

11 (2) the covered individual's mental illness or  
12 emotional disturbance:

13 (A) substantially impairs the individual's  
14 thought, perception of reality, emotional process, or judgment; or

15 (B) as manifested by the individual's recent  
16 disturbed behavior, grossly impairs the individual's behavior.

17 SECTION 7. The change in law made by this Act applies only  
18 to a group health benefit plan that is delivered, issued for  
19 delivery, or renewed on or after April 1, 2018. A group health  
20 benefit plan that is delivered, issued for delivery, or renewed  
21 before April 1, 2018, is governed by the law as it existed  
22 immediately before the effective date of this Act, and that law is  
23 continued in effect for that purpose.

24 SECTION 8. This Act takes effect December 1, 2017.