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et al.

H.B. No. 4713

A BILL TO BE ENTITLED

AN ACT

relating to group health benefit plan coverage for early treatment
of first episode psychosis.

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) "First episode psychosis" means the initial onset
of psychosis or symptoms associated with psychosis, caused by:

(A) medical or neurological conditions;

(B) serious mental illness; or

(C) substance use.

SECTION 2. Section 1355.002, Insurance Code, is amended by
adding Subsection (c) to read as follows:

(c) Notwithstanding any other law, Section 1355.016 applies
to the state Medicaid program, including the Medicaid managed care
program operated under Chapter 533, Government Code.

SECTION 3. Subchapter A, Chapter 1355, Insurance Code, is
amended by adding Section 1355.016 to read as follows:

Sec. 1355.016. REQUIRED COVERAGE FOR EARLY TREATMENT OF
FIRST EPISODE PSYCHOSIS. (a) A group health benefit plan may
provide coverage, based on medical necessity, as provided by this
section to an individual who is younger than 26 years of age and who
is diagnosed with first episode psychosis.

(b) If the group health benefit plan provides coverage under

1 this section, the plan must provide coverage under this section to
2 the enrollee for all generally recognized services prescribed in
3 relation to first episode psychosis.

4 (c) For purposes of Subsection (b), "generally recognized
5 services" may include:

6 (1) coordinated specialty care for first episode
7 psychosis treatment, covering each element of the treatment model
8 included in the Recovery After an Initial Schizophrenia Episode
9 (RAISE) early treatment program study conducted by the National
10 Institute of Mental Health regarding treatment for psychosis, as
11 completed July 2017, including:

12 (A) psychotherapy;

13 (B) medication management;

14 (C) case management;

15 (D) family education and support; and

16 (E) education and employment support;

17 (2) assertive community treatment as described by the
18 Texas Health and Human Services Commission's Texas Resilience and
19 Recovery Utilization Management Guidelines: Adult Mental Health
20 Services, as updated in April 2017, or a more recently updated
21 version adopted by the commissioner; and

22 (3) peer support services, including:

23 (A) recovery and wellness support;

24 (B) mentoring; and

25 (C) advocacy.

26 (d) Only coordinated specialty care or assertive community
27 treatment provided by a provider that adheres to the fidelity of the

1 applicable treatment model and that has contracted with the Health
2 and Human Services Commission to provide coordinated specialty care
3 or assertive community treatment for first episode psychosis is
4 required to be covered by a group health benefit plan that provides
5 coverage under this section.

6 (e) If a group health benefit plan issuer credentials a
7 psychiatrist or licensed clinical leader of a treatment team to
8 provide generally recognized services for the treatment of first
9 episode psychosis, all members of the treatment team serving under
10 the credentialed psychiatrist or licensed clinical leader are
11 considered to be credentialed by the health benefit plan issuer.

12 (f) A group health benefit plan issuer may reimburse a
13 provider of coordinated specialty care or assertive community
14 treatment for first episode psychosis based on a bundled payment
15 model instead of providing reimbursement for each service provided
16 to the enrollee by the member of a treatment team.

17 (g) If requested by a group health benefit plan issuer that
18 provides coverage under this section on or after March 1, 2029, the
19 department shall contract with an independent third party with
20 expertise in analyzing health benefit plan premiums and costs to
21 perform an independent analysis of the impact of requiring coverage
22 of the team-based treatment models described by Subsection (c) on
23 health benefit plan premiums. Notwithstanding Subsection (c), if
24 the analysis finds that premiums increased annually by at least one
25 percent solely due to requiring coverage of a specific treatment
26 model, a group health benefit plan is not required to provide
27 coverage under this section for that treatment model.

1 SECTION 4. (a) As soon as practicable after the effective
2 date of this Act, the Texas Department of Insurance shall convene
3 and lead a work group that includes the Health and Human Services
4 Commission, providers of generally recognized services described
5 by Section 1355.016(c), Insurance Code, as added by this Act, and
6 group health benefit plan issuers. The work group shall:

7 (1) develop the criteria to be used to determine
8 medical necessity for purposes of coverage under Section 1355.016,
9 Insurance Code, as added by this Act; and

10 (2) determine a coding solution that allows for
11 coordinated specialty care and assertive community treatment to be
12 coded and reimbursed as a bundle of services under Section
13 1355.016(f), Insurance Code, as added by this Act.

14 (b) Not later than January 1, 2024, the work group shall
15 make recommendations to the department based on its findings.

16 (c) Not later than June 30, 2024, the department shall adopt
17 rules:

18 (1) establishing the criteria to be used to determine
19 medical necessity under Section 1355.016(a), Insurance Code, as
20 added by this Act;

21 (2) creating a coding solution that allows for
22 reimbursement based on a bundled payment model for coordinated
23 specialty care and assertive community treatment under Section
24 1355.016(f), Insurance Code, as added by this Act; and

25 (3) otherwise necessary to implement Section
26 1355.016, Insurance Code, as added by this Act.

27 SECTION 5. If before implementing any provision of this Act

1 a state agency determines that a waiver or authorization from a
2 federal agency is necessary for implementation of that provision,
3 the agency affected by the provision shall request the waiver or
4 authorization and may delay implementing that provision until the
5 waiver or authorization is granted.

6 SECTION 6. Section 1355.016, Insurance Code, as added by
7 this Act, applies only to a health benefit plan that is delivered,
8 issued for delivery, or renewed on or after June 30, 2024. A health
9 benefit plan delivered, issued for delivery, or renewed before June
10 30, 2024, is governed by the law as it existed immediately before
11 that date, and that law is continued in effect for that purpose.

12 SECTION 7. This Act takes effect September 1, 2023.