By: Plesa, Rose, Price, Perez, Cortez, 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 must 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) The group health benefit plan must provide coverage

under this section to the enrollee for all generally recognized services prescribed in relation to first episode psychosis.

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

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

(A) psychotherapy;

(B) medication management;

(C) case management;

(D) family education and support; and

(E) education and employment support;

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

(3) peer support services, including:

(A) recovery and wellness support;

(B) mentoring; and

(C) advocacy.

(d) Only coordinated specialty care or assertive community treatment provided by a provider that adheres to the fidelity of the applicable treatment model and that has contracted with the Health

and Human Services Commission to provide coordinated specialty care or assertive community treatment for first episode psychosis is required to be covered under this section.

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

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

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

SECTION 4. (a) As soon as practicable after the effective date of this Act, the Texas Department of Insurance shall convene

and lead a work group that includes the Health and Human Services Commission, providers of generally recognized services described by Section 1355.016(c), Insurance Code, as added by this Act, and group health benefit plan issuers. The work group shall:

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

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

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

(c) Not later than March 30, 2024, the department shall adopt rules:

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

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

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

SECTION 5. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision,

the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

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

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