

MAINE STATE LEGISLATURE

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(New Draft of H.P. 623, L.D. 775)

FIRST REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document

No. 1714

H.P. 1293

House of Representatives, May 31, 1983

Reported by the Minority from the Committee on Business Legislation and printed under Joint Rule 2.

Original bill presented by Representative Rolde of York. Cosponsored by Senator Conley of Cumberland, Speaker Martin of Eagle Lake and Senator Perkins of Hancock.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-THREE

AN ACT to Provide Equitable Health Care
for Alcoholism and Drug Dependency Treatment.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 24 MRSA §2329, as enacted by PL 1981, c. 319, §1, is repealed and the following enacted in its place:

§2329. Equitable health care for alcoholism and drug dependency treatment

1. Purpose. The Legislature recognizes that alcoholism and drug dependency constitute major health problems in the State and in the Nation. The Legislature further recognizes that alcoholism is a disease and that alcoholism and drug dependency can be effectively treated. As such, alcoholism and drug dependency warrant the same attention from the health

1 care industry as other serious diseases and ill-
2 nesses. The Legislature further recognizes that
3 health care contracts, at times, fail to provide ade-
4 quate benefits for the treatment of alcoholism and
5 drug dependency, which results in more costly health
6 care for treatment of complications caused by the
7 lack of early intervention and other treatment ser-
8 vices for persons suffering from these illnesses.
9 This situation causes a higher health care, social,
10 law enforcement and economic cost to the citizens of
11 this State than is necessary, including the need for
12 the State to provide treatment to some subscribers at
13 public expense. To assist the many citizens of this
14 State who suffer from these illnesses in a more cost
15 effective way, the Legislature declares that certain
16 health care coverage providing benefits for the
17 treatment of the illness of alcoholism and drug
18 dependency shall be included in all group health care
19 contracts.

20 2. Definitions. As used in this section, unless
21 the context indicates otherwise, the following terms
22 have the following meanings.

23 A. "Outpatient care" means care rendered by a
24 state-licensed, approved or certified detoxifica-
25 tion, residential treatment or outpatient pro-
26 gram, or partial hospitalization program on a
27 periodic basis, including, but not limited to,
28 patient diagnosis, assessment and treatment,
29 individual, family and group counseling and edu-
30 cational and support services.

31 B. "Residential treatment" means services at a
32 facility that provides care 24 hours daily to one
33 or more patients, including, but not limited to,
34 the following services: Room and board; medical,
35 nursing and dietary services; patient diagnosis,
36 assessment and treatment; individual, family and
37 group counseling; and educational and support
38 services, including a designated unit of a li-
39 censed health care facility providing any and all
40 other services specified in this paragraph to
41 patients with the illnesses of alcoholism and
42 drug dependency.

1 C. "Treatment plan" means a written plan ini-
2 tiated at the time of admission, approved by a
3 Doctor of Medicine, Doctor of Osteopathy or a
4 Registered Substance Abuse Counselor employed by
5 a certified or licensed substance abuse program,
6 including, but not limited to, the patient's med-
7 ical, drug and alcoholism history; record of
8 physical examination; diagnosis; assessment of
9 physical capabilities; mental capacity; orders
10 for medication, diet and special needs for the
11 patient's health or safety and treatment, includ-
12 ing medical, psychiatric, psychological, social
13 services, individual, family and group counsel-
14 ing; and educational, support and referral ser-
15 vices.

16 3. Requirement. Every nonprofit hospital or
17 medical service organization which issues group
18 health care contracts providing coverage for hospital
19 care to residents of this State shall provide bene-
20 fits as required in this section to any subscriber or
21 other person covered under those contracts for the
22 treatment of alcoholism and other drug dependency
23 pursuant to a treatment plan.

24 4. Services; providers. Each group contract
25 shall provide, at a minimum, for the following cover-
26 age, pursuant to a treatment plan:

27 A. Residential treatment at a hospital or
28 free-standing residential treatment center which
29 is licensed, certified or approved by the State;
30 and

31 B. Outpatient care rendered by state licensed,
32 certified or approved providers who have con-
33 tracted with the nonprofit hospital or medical
34 service organization under terms and conditions
35 which the organization deems satisfactory to its
36 membership.

37 Treatment or confinement at any facility shall not
38 preclude further or additional treatment at any other
39 eligible facility, provided that the benefit days
40 used do not exceed the total number of benefit days
41 provided for under the contract.

1 5. Limits; coinsurance; deductibles. Any policy
2 or contract which provides coverage for the services
3 required by this section may contain provisions for
4 maximum benefits and coinsurance, and reasonable
5 limitations, deductibles and exclusions to the extent
6 that these provisions are not inconsistent with the
7 requirements of this section.

8 6. Notice. At the time of delivery or renewal,
9 the nonprofit hospital or medical service organiza-
10 tion shall provide written notification to all indi-
11 viduals eligible for benefits under group policies or
12 contracts of these alcoholism and drug dependency
13 benefits.

14 7. Confidentiality. The confidentiality of all
15 alcoholism and drug treatment patient records shall
16 be protected.

17 8. Reports to the Superintendent of Insur-
18 ance. Every nonprofit hospital or medical service
19 organization subject to this section shall report its
20 experience for each calendar year beginning with 1984
21 to the superintendent not later than April 30th of
22 the following year. The report shall be in a form
23 prescribed by the superintendent and shall include
24 the amount of claims paid in this State for the ser-
25 vices required by this section and the total amount
26 of claims paid in this State for group health care
27 contracts, both separated between those paid for
28 inpatient and outpatient services. The superinten-
29 dent shall compile this data for all nonprofit hospi-
30 tal or medical service organizations in an annual
31 report.

32 9. Application; expiration. The requirements of
33 this section shall apply to all policies or contracts
34 executed, delivered, issued for delivery or renewed
35 in this State on or after January 1, 1984. The re-
36 quirements of this section shall expire on January 1,
37 1988.

38 Sec. 2. 24-A MRSA §2842, as enacted by PL 1981,
39 c. 319, §2, is repealed and the following enacted in
40 its place:

41 §2842. Equitable health care for alcoholism and drug
42 dependency treatment

1 1. Purpose. The Legislature recognizes that
2 alcoholism and drug dependency constitute major
3 health problems in the State and in the Nation. The
4 Legislature further recognizes that alcoholism is a
5 disease and that alcoholism and drug dependency can
6 be effectively treated. As such, alcoholism and drug
7 dependency warrant the same attention from the health
8 care industry as other serious diseases and ill-
9 nesses. The Legislature further recognizes that
10 health insurance contracts, at times, fail to provide
11 adequate benefits for the treatment of alcoholism and
12 drug dependency, which results in more costly health
13 care for treatment of complications caused by the
14 lack of early intervention and other treatment ser-
15 vices for persons suffering from these illnesses.
16 This situation causes a higher health care, social,
17 law enforcement and economic cost to the citizens of
18 this State than is necessary, including the need for
19 the State to provide treatment to some insureds at
20 public expense. To assist the many citizens of this
21 State who suffer from these illnesses in a more cost
22 effective way, the Legislature declares that certain
23 health insurance coverage providing benefits for the
24 treatment of the illness of alcoholism and drug
25 dependency shall be included in all group health
26 insurance contracts.

27 2. Definitions. As used in this section, unless
28 the context indicates otherwise, the following terms
29 have the following meanings.

30 A. "Outpatient care" means care rendered by a
31 state-licensed, approved or certified detoxifica-
32 tion, residential treatment or outpatient pro-
33 gram, or partial hospitalization program on a
34 periodic basis, including, but not limited to,
35 patient diagnosis, assessment and treatment,
36 individual, family and group counseling and edu-
37 cational and support services.

38 B. "Residential treatment" means services at a
39 facility that provides care 24 hours daily to one
40 or more patients, including, but not limited to,
41 the following services: Room and board; medical,
42 nursing and dietary services; patient diagnosis,
43 assessment and treatment; individual, family and
44 group counseling; and educational and support

1 services, including a designated unit of a li-
2 icensed health care facility providing any and all
3 other services specified in this paragraph to
4 patients with the illnesses of alcoholism and
5 drug dependency.

6 C. "Treatment plan" means a written plan ini-
7 tiated at the time of admission, approved by a
8 Doctor of Medicine, Doctor of Osteopathy or a
9 Registered Substance Abuse Counselor employed by
10 a certified or licensed substance abuse program,
11 including, but not limited to, the patient's med-
12 ical, drug and alcoholism history; record of
13 physical examination; diagnosis; assessment of
14 physical capabilities; mental capacity; orders
15 for medication, diet and special needs for the
16 patient's health or safety and treatment, includ-
17 ing medical, psychiatric, psychological, social
18 services, individual, family and group counsel-
19 ing; and educational, support and referral ser-
20 vices.

21 3. Requirement. Every insurer which issues
22 group health care contracts providing coverage for
23 hospital care to residents of this State shall pro-
24 vide benefits as required in this section to any sub-
25 scriber or other person covered under those contracts
26 for the treatment of alcoholism and other drug depen-
27 dency pursuant to a treatment plan.

28 4. Services; providers. Each group contract
29 shall provide, at a minimum, for the following cover-
30 age, pursuant to a treatment plan:

31 A. Residential treatment at a hospital or
32 free-standing residential treatment center which
33 is licensed, certified or approved by the State;
34 and

35 B. Outpatient care rendered by state licensed,
36 certified or approved providers.

37 Treatment or confinement at any facility shall not
38 preclude further or additional treatment at any other
39 eligible facility, provided that the benefit days
40 used do not exceed the total number of benefit days
41 provided for under the contract.

1	General Fund	\$94,787
2	Highway Fund	\$36,137
3	Federal and miscellaneous funds	\$66,543

4 STATEMENT OF FACT

5 This new draft, like the original bill, requires
6 coverage of alcoholism and drug dependency treatment
7 services in health insurance policies and contracts.
8 The new draft makes the following changes.

9 1. The application of this requirement is
10 limited to group contracts. The provision requiring
11 coverage under individual insurance policies is
12 removed.

13 2. The required services are specified, and
14 insurers would be allowed to set reasonable limits on
15 the benefits provided in this area, along with
16 reasonable deductibles and coinsurance.

17 3. The requirement would be effective beginning
18 January 1, 1984, and has a 4-year sunset.

19 4. Companies would be required to annually
20 report their experience under these provisions to the
21 Superintendent of Insurance, who would compile this
22 information in an annual report.

23 5. Finally, the advisory group set up in the
24 original bill is removed. Its functions would
25 instead be served by insurers and providers operating
26 independently from the State, and by the supervision
27 of rates by the Superintendent of Insurance.

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