

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
116TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "D" to H.P. 138, L.D. 183, Bill, "An Act to Remove the Repeal Date from the Laws Governing Equitable Insurance Coverage for Mental Illness"

Amend the bill by striking out the title and substituting the following:

'An Act to Reenact the Laws Governing Equitable Insurance Coverage for Mental Illness'

Further amend the bill by striking out all of the emergency preamble.

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 24 MRSA §2325-A, sub-§5-C is enacted to read:

5-C. Coverage for certain mental illness treatment. Coverage for medical treatment for mental illnesses listed in paragraph A is subject to this subsection. Nothing in this subsection requires benefit levels or maximum lifetime or annual benefits for medical treatment for mental illness that exceed the benefit levels or maximum lifetime or annual benefits for other illnesses and diseases.

A. All group contracts must provide at a minimum benefits according to paragraph B, subparagraphs (1) to (3) for the usual, customary and reasonable charges for a person receiving medical treatment for:

- (1) Schizophrenia;
- (2) Bipolar disorder;
- (3) Pervasive developmental disorder, or autism;

2 (4) Childhood schizophrenia;

4 (5) Psychotic depression, or involuntional melancholia;

6 (6) Paranoia;

8 (7) Panic disorder;

10 (8) Obsessive-compulsive disorder; or

12 (9) Major depressive disorder.

14 B. All policies and certificates executed, delivered,
issued for delivery, continued or renewed in this State on
or after January 1, 1994 must provide benefits that meet the
requirements of this paragraph. For purposes of this
paragraph, all contracts are deemed to be renewed no later
than the next yearly anniversary of the contract date.

20 (1) The contracts must provide inpatient care benefits
of at least 60 days per calendar year.

22 (2) The contracts must provide outpatient care
benefits of at least \$2,000 for any combination of
outpatient and day treatment care. The minimum level
of benefits provided must be at least 60% of the usual,
customary and reasonable charge.

28 (3) The contracts must contain a maximum lifetime
benefit of at least \$100,000 for any mental illness
listed in paragraph A.

32 C. All policies and certificates executed, delivered,
issued for delivery, continued or renewed in this State on
or after January 1, 1996 must provide benefits that meet the
requirements of this paragraph. For purposes of this
paragraph, all contracts are deemed to be renewed no later
than the next yearly anniversary of the contract date.

40 (1) The contracts must provide inpatient care benefits
of at least 90 days per calendar year.

42 (2) The contracts must provide outpatient care
benefits of at least \$3,000 for any combination of
outpatient and day treatment care. The minimum level
of benefits provided must be at least 70% of the usual,
customary and reasonable charge.

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SENATE AMENDMENT "D" to H.P. 138, L.D. 183

2 (3) The contracts must contain a maximum lifetime
3 benefit of at least \$100,000 for any mental illness
4 listed in paragraph A.

6 D. All policies and certificates executed, delivered,
7 issued for delivery, continued or renewed in this State on
8 or after January 1, 1997 must provide benefits that meet the
9 requirements of this paragraph. For purposes of this
10 paragraph, all contracts are deemed to be renewed no later
11 than the next yearly anniversary of the contract date.

12 (1) The contracts must provide inpatient care benefits
13 of at least 120 days per calendar year.

14 (2) The contracts must provide outpatient care
15 benefits of at least \$4,000 for any combination of
16 outpatient and day treatment care. The minimum level
17 of benefits provided must be at least 80% of the usual,
18 customary and reasonable charge.

19 (3) The contracts must contain a maximum lifetime
20 benefit of at least \$100,000 for any mental illness
21 listed in paragraph A.

22 E. All policies and certificates executed, delivered,
23 issued for delivery, continued or renewed in this State on
24 or after January 1, 1998 must provide benefits equal to
25 benefits provided for other illnesses and diseases and
26 maximum lifetime benefits equal to the maximum lifetime
27 benefits provided for other illnesses and diseases. The
28 contracts must contain a maximum lifetime benefit of at
29 least \$100,000 for any mental illness listed in paragraph A.

30 This subsection is repealed July 1, 1995.

31 Sec. 2. 24 MRSA §2325-A, sub-§9, as amended by PL 1991, c.
32 881, §2 and affected by §§7 and 8, is repealed and the following
33 enacted in its place:

34 9. Application; expiration. Except as otherwise provided,
35 the requirements of this section apply to all policies and any
36 certificates executed, delivered, issued for delivery, continued
37 or renewed in this State on or after January 1, 1984. For
38 purposes of this section, all contracts are deemed to be renewed
39 no later than the next yearly anniversary of the contract date.

40 Sec. 3. 24-A MRSA §2843, sub-§5-C is enacted to read:

41 5-C. Coverage for certain mental illness treatment.
42 Coverage for medical treatment for mental illnesses listed in

SENATE AMENDMENT

paragraph A is subject to this subsection. Nothing in this subsection requires benefit levels or maximum lifetime or annual benefits for medical treatment for mental illness that exceed the benefit levels or maximum lifetime or annual benefits for other illnesses and diseases.

A. All group contracts must provide at a minimum benefits according to paragraph B, subparagraphs (1) to (3) for the usual, customary and reasonable charges for a person receiving medical treatment for:

(1) Schizophrenia;

(2) Bipolar disorder;

(3) Pervasive developmental disorder, or autism;

(4) Childhood schizophrenia;

(5) Psychotic depression, or involuntional melancholia;

(6) Paranoia;

(7) Panic disorder;

(8) Obsessive-compulsive disorder; or

(9) Major depressive disorder.

B. All policies and certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1994 must provide benefits that meet the requirements of this paragraph. For purposes of this paragraph, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

(1) The contracts must provide inpatient care benefits of at least 60 days per calendar year.

(2) The contracts must provide outpatient care benefits of at least \$2,000 for any combination of outpatient and day treatment care. The minimum level of benefits provided must be at least 60% of the usual, customary and reasonable charge.

(3) The contracts must contain a maximum lifetime benefit of at least \$100,000 for any mental illness listed in paragraph A.

2 C. All policies and certificates executed, delivered,
3 issued for delivery, continued or renewed in this State on
4 or after January 1, 1996 must provide benefits that meet the
5 requirements of this paragraph. For purposes of this
6 paragraph, all contracts are deemed to be renewed no later
7 than the next yearly anniversary of the contract date.

8 (1) The contracts must provide inpatient care benefits
9 of at least 90 days per calendar year.

10 (2) The contracts must provide outpatient care
11 benefits of at least \$3,000 for any combination of
12 outpatient and day treatment care. The minimum level
13 of benefits provided must be at least 70% of the usual,
14 customary and reasonable charge.

15 (3) The contracts must contain a maximum lifetime
16 benefit of at least \$100,000 for any mental illness
17 listed in paragraph A.

18 D. All policies and certificates executed, delivered,
19 issued for delivery, continued or renewed in this State on
20 or after January 1, 1997 must provide benefits that meet the
21 requirements of this paragraph. For purposes of this
22 paragraph, all contracts are deemed to be renewed no later
23 than the next yearly anniversary of the contract date.

24 (1) The contracts must provide inpatient care benefits
25 of at least 120 days per calendar year.

26 (2) The contracts must provide outpatient care
27 benefits of at least \$4,000 for any combination of
28 outpatient and day treatment care. The minimum level
29 of benefits provided must be at least 80% of the usual,
30 customary and reasonable charge.

31 (3) The contracts must contain a maximum lifetime
32 benefit of at least \$100,000 for any mental illness
33 listed in paragraph A.

34 E. All policies and certificates executed, delivered,
35 issued for delivery, continued or renewed in this State on
36 or after January 1, 1998 must provide benefits equal to
37 benefits provided for other illnesses and diseases and
38 maximum lifetime benefits equal to the maximum lifetime
39 benefits provided for other illnesses and diseases. The
40 contracts must contain a maximum lifetime benefit of at
41 least \$100,000 for any mental illness listed in paragraph A.

42 This subsection is repealed July 1, 1995.

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Sec. 4. 24-A MRSA §2843, sub-§8, as amended by PL 1991, c. 881, §4 and affected by §§7 and 8, is repealed and the following enacted in its place:

8. Application; expiration. Except as otherwise provided, the requirements of this section apply to all policies and any certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1984. For purposes of this section, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

Sec. 5. Expenditures in excess of allocations. Expenditures required by this Act of funds other than the General Fund or the Highway Fund are authorized to exceed legislative allocations during the fiscal biennium. Appropriate adjustments to basic work programs facilitating these expenditures in excess of allocations must be recommended by the State Budget Officer and approved by the Governor.

Sec. 6. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1994-95

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Departments and Agencies - Statewide

Personal Services \$49,036

Provides for the appropriation of funds associated with an increase in health insurance costs due to an expansion of mental health coverage.

Sec. 7. Allocation. The following funds are allocated from the Highway Fund to carry out the purposes of this Act.

1994-95

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Departments and Agencies - Statewide

Personal Services . \$14,898

Provides for the allocation of funds associated with an increase in health insurance costs due to an expansion of mental health coverage.

FISCAL NOTE

1993-94 1994-95

APPROPRIATIONS/ALLOCATIONS

General Fund \$49,036
Highway Fund 14,898

This bill reestablishes laws that expand coverage for certain mental illnesses and will increase the cost of the State's employee health insurance program beginning in fiscal year 1994-95. A General Fund appropriation of \$49,036 in fiscal year 1994-95 and a Highway Fund allocation of \$14,898 in fiscal year 1994-95 will be required. The costs to accounts in other funds may require increased allotments to meet these additional personal services expenditures.

The Governor's proposed current services budget includes changes that may affect this bill's impact on the employer share of the health insurance cost. This estimate of the fiscal impact may need to be adjusted based on final legislative actions on the current services budget.

It is not possible to determine the impact of this expanded coverage on the Medicaid program or any other health programs.

STATEMENT OF FACT

This amendment reenacts, with some substantive changes, the laws governing equitable insurance coverage for mental illness as enacted by Public Law 1991, chapter 881. Because this amendment removes the emergency status of the bill, those laws will be repealed automatically on July 1, 1993.

This amendment establishes a new phase-in schedule beginning on January 1, 1994 and extends the first year of the phase-in by one additional year. The amendment includes a new repeal date of July 1, 1995. The amendment also requires contracts to contain a

SENATE AMENDMENT "D" to H.P. 138, L.D. 183

2 maximum lifetime benefit level of at least \$100,000 for the
3 mental illnesses listed in the Maine Revised Statutes, Title 24,
4 section 2325-A, subsection 5-C and Title 24-A, section 2843,
5 subsection 5-C.

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7
8 (Senator SUMMERS)
9 SPONSORED BY: Ch. Sh.

10 COUNTY: Cumberland

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Reproduced and Distributed Pursuant to Senate Rule 12.
(6/29/93) (Filing No. S-345)