

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1000

S.P. 346

In Senate, February 4, 1999

An Act to Provide Insurance Parity for Substance Abuse Treatment.

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DAGGETT of Kennebec.
Cosponsored by Senators: BENOIT of Franklin, PINGREE of Knox, Representatives:
BRENNAN of Portland, BROOKS of Winterport, O'BRIEN of Augusta.

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

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Sec. 1. 24 MRSA §2329, sub-§3, as enacted by PL 1983, c. 527, §1, is amended to read:

3. Requirement. Every A nonprofit hospital or medical service organization which ~~that~~ issues individual and group health care contracts providing--coverage--for--hospital--care to residents of this State shall provide benefits as required in this section to any subscriber or other person covered under those contracts for the treatment of alcoholism and other drug dependency pursuant to a treatment plan.

Sec. 2. 24 MRSA §2329, sub-§4, as enacted by PL 1983, c. 527, §1, is repealed.

Sec. 3. 24 MRSA §2329, sub-§4-A is enacted to read:

4-A. Parity coverage. An individual and group contract must provide, at a minimum, benefits for the treatment of alcoholism and other drug dependency, including benefits for residential treatment and outpatient care, under terms and conditions that are no less extensive than the benefits provided for medical treatment for physical illness. At the request of a nonprofit hospital or medical service organization, a provider of treatment for alcoholism or other drug dependency shall furnish data substantiating that the initial or continued treatment is medically necessary and appropriate pursuant to a treatment plan.

Sec. 4. 24 MRSA §2329, sub-§5, as amended by PL 1989, c. 490, §2, is repealed.

Sec. 5. 24 MRSA §2329, sub-§7, as enacted by PL 1983, c. 527, §1, is amended to read:

7. Notice. At the time of delivery or renewal, the nonprofit hospital or medical service organization shall provide written notification to all individuals eligible for benefits under individual and group policies or contracts of these the alcoholism and drug dependency benefits provided under this section.

Sec. 6. 24 MRSA §2329, sub-§9, as enacted by PL 1983, c. 527, §1, is amended to read:

9. Reports to the superintendent. Every A nonprofit hospital or medical service organization subject to this section shall report its experience for each calendar year beginning with 1984 to the superintendent not later than April 30th of the following year. The report shall must be in a form prescribed by

2 the superintendent and shall include the amount of claims paid in
4 this State for the services required by this section and the
6 total amount of claims paid in this State for individual and
8 group health care contracts, both separated between according to
10 those paid for inpatient and or outpatient services. The
12 superintendent shall compile this data for all nonprofit hospital
14 or medical service organizations in an annual report.

16 **Sec. 7. 24 MRSA §2329, sub-§10, as repealed and replaced by PL**
18 **1987, c. 480, §4, is amended to read:**

20 **10. Application; expiration.** The requirements of this
22 section shall apply to all policies and any certificates or
24 contracts executed, delivered, issued for delivery, continued or
26 renewed in this State on or after January 1, 1984. The
28 requirements of subsection 4-A apply to all policies and
30 contracts executed, delivered, issued for delivery, continued or
32 renewed in this State on or after January 1, 2000. For purposes
34 of this section, all contracts shall ~~be~~ are deemed to be renewed
36 no later than the next yearly anniversary of the contract date.

38 **Sec. 8. 24-A MRSA §2749-D is enacted to read:**

40 **§2749-D. Equitable health care for alcoholism and drug**
42 **dependency treatment**

44 **1. Definitions.** As used in this section, unless the
46 context otherwise indicates, the following terms have the
48 following meanings.

50 **A. "Outpatient care" means care rendered by a**
state-licensed, approved or certified detoxification,
residential treatment or outpatient program, or partial
hospitalization program on a periodic basis, including, but
not limited to, patient diagnosis, assessment and treatment,
individual, family and group counseling and educational and
support services.

B. "Residential treatment" means services at a facility
that provides care 24 hours daily to one or more patients,
including, but not limited to; room and board; medical,
nursing and dietary services; patient diagnosis, assessment
and treatment; individual, family and group counseling; and
educational and support services, including a designated
unit of a licensed health care facility providing any and
all other services specified in this paragraph to patients
with the illness of alcoholism or drug dependency.

C. "Treatment plan" means a written plan initiated at the
time of admission, approved by a Doctor of Medicine, Doctor

2 of Osteopathy or a licensed or registered alcohol and drug
3 abuse counselor employed by a certified or licensed
4 substance abuse program, including, but not limited to, the
5 patient's medical, drug and alcoholism history; record of
6 physical examination; diagnosis; assessment of physical
7 capabilities; mental capacity; orders for medication, diet
8 and special needs for the patient's health or safety and
9 treatment, including medical, psychiatric, psychological,
10 social services, individual, family and group counseling;
11 and educational, support and referral services.

12 2. Requirement. An insurer that issues individual health
13 care contracts to residents of this State shall provide benefits
14 as required in this section to a person covered under those
15 contracts for the treatment of alcoholism and other drug
16 dependency pursuant to a treatment plan.

17 3. Parity coverage. An individual contract must provide,
18 at a minimum, benefits for the treatment of alcoholism and other
19 drug dependency, including benefits for residential treatment and
20 outpatient care, under terms and conditions that are no less
21 extensive than the benefits provided for medical treatment for
22 physical illness. At the request of an insurer, a provider of
23 treatment for alcoholism or other drug dependency shall furnish
24 data substantiating that the initial or continued treatment is
25 medically necessary and appropriate pursuant to a treatment plan.

26 4. Limits; coinsurance; deductibles. A policy or contract
27 that provides coverage for the services required by this section
28 may contain provisions for maximum benefits and coinsurance and
29 reasonable limitations, deductibles and exclusions to the extent
30 that these provisions are not inconsistent with the requirements
31 of this section.

32 5. Notice. At the time of delivery or renewal, the
33 individual health insurer shall provide written notification to
34 all individuals eligible for benefits under individual policies
35 or contracts of the alcoholism and drug dependency benefits
36 provided under this section.

37 6. Confidentiality. The confidentiality of alcoholism and
38 drug treatment patient records must be protected.

39 7. Reports to the superintendent. Beginning with the year
40 2000, an insurer subject to this section shall report its
41 experience for each calendar year to the superintendent not later
42 than April 30th of the following year. The report must be in a
43 form prescribed by the superintendent and include the amount of
44 claims paid in this State for the services required by this
45 section and the total amount of claims paid in this State for
46 the services required by this section.

2 individual health care contracts, separated according to those
3 paid for inpatient or outpatient services. The superintendent
4 shall compile this data for all insurers in an annual report.

6 8. Application. The requirements of this section apply to
7 policies, certificates or contracts executed, delivered, issued
8 for delivery, continued or renewed in this State on or after
9 January 1, 2000. For purposes of this section, a contract is
10 deemed to be renewed no later than the next yearly anniversary of
11 the contract date.

12 **Sec. 9. 24-A MRSA §2842, sub-§3, as enacted by PL 1983, c.**
13 **527, §2, is amended to read:**

14 **3. Requirement. Every An insurer which that issues group**
15 **health care contracts ~~providing coverage for hospital care~~ to**
16 **residents of this State shall provide benefits as required in**
17 **this section to ~~any subscriber or other~~ a person covered under**
18 **those contracts for the treatment of alcoholism and other drug**
19 **dependency pursuant to a treatment plan.**

22 **Sec. 10. 24-A MRSA §2842, sub-§4, as enacted by PL 1983, c.**
23 **527, §2, is repealed.**

24 **Sec. 11. 24-A MRSA §2842, sub-§4-A is enacted to read:**

26 **4-A. Parity coverage. A group contract must provide, at a**
27 **minimum, benefits for the treatment of alcoholism and other drug**
28 **dependency, including benefits for residential treatment and**
29 **outpatient care, under terms and conditions that are no less**
30 **extensive than the benefits provided for medical treatment for**
31 **physical illness. At the request of an insurer, a provider of**
32 **treatment for alcoholism or other drug dependency shall furnish**
33 **data substantiating that the initial or continued treatment is**
34 **medically necessary and appropriate pursuant to a treatment plan.**

36 **Sec. 12. 24-A MRSA §2842, sub-§5, as amended by PL 1989, c.**
37 **490, §3, is repealed.**

40 **Sec. 13. 24-A MRSA §2842, sub-§10, as repealed and replaced by**
41 **PL 1987, c. 480, §5, is amended to read:**

42 **10. Application; expiration. The requirements of this**
43 **section shall apply to all policies and any certificates or**
44 **contracts executed, delivered, issued for delivery, continued or**
45 **renewed in this State on or after January 1, 1984. The**
46 **requirements of subsection 4-A apply to all policies and**
47 **contracts executed, delivered, issued for delivery, continued or**
48 **renewed in this State on or after January 1, 2000. For purposes**

of this section, all contracts shall ~~be~~ are deemed to be renewed no later than the next yearly anniversary of the contract date.

Sec. 14. 24-A MRS §4245 is enacted to read:

§4245. Equitable health care for alcoholism and drug dependency treatment

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Outpatient care" means care rendered by a state-licensed, approved or certified detoxification, residential treatment or outpatient program, or partial hospitalization program on a periodic basis, including, but not limited to, patient diagnosis, assessment and treatment, individual, family and group counseling and educational and support services.

B. "Residential treatment" means services at a facility that provides care 24 hours daily to one or more patients, including, but not limited to: room and board; medical, nursing and dietary services; patient diagnosis, assessment and treatment; individual, family and group counseling; and educational and support services, including a designated unit of a licensed health care facility providing any and all other services specified in this paragraph to patients with the illness of alcoholism or drug dependency.

C. "Treatment plan" means a written plan initiated at the time of admission, approved by a Doctor of Medicine, Doctor of Osteopathy or a licensed or registered alcohol and drug abuse counselor employed by a certified or licensed substance abuse program, including, but not limited to, the patient's medical, drug and alcoholism history; record of physical examination; diagnosis; assessment of physical capabilities; mental capacity; orders for medication, diet and special needs for the patient's health or safety and treatment, including medical, psychiatric, psychological, social services, individual, family and group counseling; and educational, support and referral services.

2. Requirement. A health maintenance organization that issues individual and group health care contracts to residents of this State shall provide benefits as required in this section to a person covered under those contracts for the treatment of alcoholism and other drug dependency pursuant to a treatment plan.

2 3. Parity coverage. An individual and group contract must
3 provide, at a minimum, benefits for the treatment of alcoholism
4 and other drug dependency, including benefits for residential
5 treatment and outpatient care, under terms and conditions that
6 are no less extensive than the benefits provided for medical
7 treatment for physical illness. At the request of a health
8 maintenance organization, a provider of treatment for alcoholism
9 or other drug dependency shall furnish data substantiating that
10 the initial or continued treatment is medically necessary and
11 appropriate pursuant to a treatment plan.

12 4. Limits; coinsurance; deductibles. A policy or contract
13 that provides coverage for the services required by this section
14 may contain provisions for maximum benefits and coinsurance and
15 reasonable limitations, deductibles and exclusions to the extent
16 that these provisions are not inconsistent with the requirements
17 of this section.

18 5. Notice. At the time of delivery or renewal, the health
19 maintenance organization shall provide written notification to
20 all individuals eligible for benefits under individual and group
21 policies or contracts of the alcoholism and drug dependency
22 benefits provided under this section.

23 6. Confidentiality. The confidentiality of alcoholism and
24 drug treatment patient records must be protected.

25 7. Reports to the superintendent. Beginning with the year
26 2000, a health maintenance organization subject to this section
27 shall report its experience for each calendar year to the
28 superintendent not later than April 30th of the following year.
29 The report must be in a form prescribed by the superintendent and
30 include the amount of claims paid in this State for the services
31 required by this section and the total amount of claims paid in
32 this State for individual and group health care contracts,
33 separated according to those paid for inpatient or outpatient
34 services. The superintendent shall compile this data for all
35 insurers in an annual report.

36 8. Application. The requirements of this section apply to
37 policies, certificates or contracts executed, delivered, issued
38 for delivery, continued or renewed in this State on or after
39 January 1, 2000. For purposes of this section, a contract is
40 deemed to be renewed no later than the next yearly anniversary of
41 the contract date.

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SUMMARY

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4 This bill requires that all individual and group health
insurance contracts provide coverage for substance abuse
6 treatment under the same terms and conditions as coverage for
physical conditions and illnesses. The bill applies to all
8 policies and contracts issued or renewed on or after January 1,
2000.