

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 812

S.P. 244

In Senate, February 15, 2001

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 Senator MITCHELL of Penobscot and
Representatives: BRANNIGAN of Portland, O'BRIEN of Augusta, O'NEIL of Saco.

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Sec. 2. 24 MRSA §2329, sub-§4, as enacted by PL 1983, c. 527, §1, is repealed.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Sec. 4. 24 MRSA §2329, sub-§5, as amended by PL 1989, c. 490, §2, is repealed.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 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 the

2 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
those paid for inpatient and or outpatient services. The
superintendent shall compile this data for all nonprofit hospital
or medical service organizations in an annual report.

10 **Sec. 7. 24 MRSA §2329, sub-§10**, as repealed and replaced by PL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

12 **10. Application; expiration.** The requirements of this
14 section shall apply to all policies and any certificates or
contracts executed, delivered, issued for delivery, continued or
16 renewed in this State on or after January 1, 1984. The
requirements of subsection 4-A apply to all policies and
18 contracts executed, delivered, issued for delivery, continued or
renewed in this State on or after January 1, 2002. For purposes
20 of this section, all contracts shall-be are deemed to be renewed
no later than the next yearly anniversary of the contract date.

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

24 **§2749-D. Equitable health care for alcoholism and drug**
26 **dependency treatment**

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

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

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

50 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 policies or contracts to residents of this State shall
14 provide benefits as required in this section to a person covered
15 under those policies or contracts for the treatment of alcoholism
16 and other drug dependency pursuant to a treatment plan.

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

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

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

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

40 **7. Reports to superintendent.** Beginning with the year
41 2002, an insurer subject to this section shall report its
42 experience for each calendar year to the superintendent not later
43 than April 30th of the following year. The report must be in a
44 form prescribed by the superintendent and include the amount of
45 claims paid in this State for the services required by this
46 section.

2 section and the total amount of claims paid in this State for
3 individual health care policies or contracts, separated according
4 to those paid for inpatient or outpatient services. The
5 superintendent shall compile this data for all insurers in an
6 annual report.

7 8. Application. The requirements of this section apply to
8 policies, certificates or contracts executed, delivered, issued
9 for delivery, continued or renewed in this State on or after
10 January 1, 2002. For purposes of this section, a contract is
11 deemed to be renewed no later than the next yearly anniversary of
12 the contract date.

13 **Sec. 9. 24-A MRSA §2842, sub-§3,** as enacted by PL 1983, c.
14 527, §2, is amended to read:
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16 **3. Requirement.** Every ~~An~~ insurer ~~which that~~ issues group
17 health care contracts ~~providing coverage for hospital care~~ to
18 residents of this State shall provide benefits as required in
19 this section to ~~any subscriber or other~~ a person covered under
20 those contracts for the treatment of alcoholism and other drug
21 dependency pursuant to a treatment plan.
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23 **Sec. 10. 24-A MRSA §2842, sub-§4,** as enacted by PL 1983, c.
24 527, §2, is repealed.
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26 **Sec. 11. 24-A MRSA §2842, sub-§4-A** is enacted to read:
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28 **4-A. Parity coverage.** A group health care contract must
29 provide, at a minimum, benefits for the treatment of alcoholism
30 and other drug dependency, including benefits for residential
31 treatment and outpatient care, under terms and conditions that
32 are no less extensive than the benefits provided for medical
33 treatment for physical illness. At the request of an insurer, a
34 provider of treatment for alcoholism or other drug dependency
35 shall furnish data substantiating that the initial or continued
36 treatment is medically necessary and appropriate pursuant to a
37 treatment plan.
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39 **Sec. 12. 24-A MRSA §2842, sub-§5,** as amended by PL 1989, c.
40 490, §3, is repealed.
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42 **Sec. 13. 24-A MRSA §2842, sub-§10,** as repealed and replaced by
43 PL 1987, c. 480, §5, is amended to read:
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45 **10. Application; expiration.** The requirements of this
46 section ~~shall~~ apply to all policies and any certificates or
47 contracts executed, delivered, issued for delivery, continued or
48 renewed in this State on or after January 1, 1984. The
49 requirements of subsection 4-A apply to all policies and
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2 contracts executed, delivered, issued for delivery, continued or
3 renewed in this State on or after January 1, 2002. For purposes
4 of this section, all contracts shall be are deemed to be renewed
no later than the next yearly anniversary of the contract date.

6 **Sec. 14. 24-A MRSA §4249** is enacted to read:

8 **§4249. Equitable health care for alcoholism and drug dependency**
9 **treatment**

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

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

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

34 **C. "Treatment plan"** means a written plan initiated at the
35 time of admission, approved by a doctor of medicine, doctor
36 of osteopathy or a licensed or registered alcohol and drug
37 abuse counselor employed by a certified or licensed
38 substance abuse program, including, but not limited to, the
39 patient's medical, drug and alcoholism history; record of
40 physical examination; diagnosis; assessment of physical
41 capabilities; mental capacity; orders for medication, diet
42 and special needs for the patient's health or safety and
43 treatment, including medical, psychiatric, psychological,
44 social services, individual, family and group counseling;
45 and educational, support and referral services.

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

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

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

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

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

26 **7. Reports to superintendent.** Beginning with the year
27 2002, a health maintenance organization subject to this section
28 shall report its experience for each calendar year to the
29 superintendent not later than April 30th of the following year.
30 The report must be in a form prescribed by the superintendent and
31 include the amount of claims paid in this State for the services
32 required by this section and the total amount of claims paid in
33 this State for individual and group health care policies or
34 contracts, separated according to those paid for inpatient or
35 outpatient services. The superintendent shall compile this data
36 for all insurers in an annual report.

37 **8. Application.** The requirements of this section apply to
38 policies, certificates or contracts executed, delivered, issued
39 for delivery, continued or renewed in this State on or after
40 January 1, 2002. For purposes of this section, a contract is
41 deemed to be renewed no later than the next yearly anniversary of
42 the contract date.

SUMMARY

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This bill requires that all individual and group health insurance policies or contracts provide coverage for substance abuse treatment under the same terms and conditions as coverage for physical conditions and illnesses. The bill applies to all policies and contracts issued or renewed on or after January 1, 2002.