

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 1572

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H.P. 1172

House of Representatives, March 13, 2001

**An Act to Provide Insurance Parity for Mental Health Services.**

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

*Millicent M. MacFarland*

MILLICENT M. MacFARLAND, Clerk

Presented by Representative KANE of Saco.  
Cosponsored by Senator PENDLETON of Cumberland and  
Representatives: FULLER of Manchester, LAVERRIERE-BOUCHER of Biddeford, MAYO  
of Bath, O'NEIL of Saco.

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

2  
4 Sec. 1. 24 MRSA §2325-A, sub-§1, ¶C, as enacted by PL 1983, c. 515, §4, is repealed and the following enacted in its place:

6 C. Typical health coverage in this State continues to  
8 discriminate against mental illness and those coping with  
10 such illnesses despite repeated efforts to mandate equal  
12 coverage. Discrimination takes the form of limiting or  
14 denying coverage with nonexistent or limited benefits  
16 compared to provisions for other illnesses, which are not  
18 limited or denied; and

20 Sec. 2. 24 MRSA §2325-A, sub-§2, ¶¶A and B, as enacted by PL 1983, c. 515, §4, are amended to read:

22 A. ~~Promote~~ Require that every health benefit plan that is  
24 offered, amended, delivered, continued, executed, issued for  
26 delivery or renewed in this State provide coverage and  
28 benefits for biologically based mental illness and substance  
30 abuse problems equal to or exceeding the coverage and  
32 benefits available under health benefit plans for the  
34 diagnosis and treatment of all other covered physical  
36 illnesses and ensure equitable and nondiscriminatory health  
38 coverage benefits for all forms of illness, including mental  
40 and emotional disorders, which that are of significant  
42 consequence to the health of Maine people of the State and  
44 which that can be treated in a cost-effective manner;

46 B. ~~Assure~~ Ensure that victims of mental and other illnesses  
48 have access to and choice of appropriate treatment at the  
50 earliest point of illness in least restrictive settings,  
including coverage for inpatient treatment, outpatient  
services, day treatment services, outpatient care,  
residential treatment, home support services, crisis  
intervention and resolution care, medication, maximum  
lifetime benefits, copayments, home visits, individual and  
family deductibles and coinsurance;

52 Sec. 3. 24 MRSA §2325-A, sub-§3, as amended by PL 1999, c. 256, Pt. O, §1, is repealed.

54 Sec. 4. 24 MRSA §2325-A, sub-§3-A is enacted to read:

56 A. "Adult" means any person who is 19 years of age or older.

58 B. "Biologically based mental illness" means any mental or  
60 nervous condition caused by a biological disorder of the  
brain that results in a clinically significant syndrome that  
substantially limits the person's functioning.

2 "Biologically based mental illness" includes any of the  
3 following illnesses for which the diagnostic criteria are  
4 prescribed in the most recent edition of the Diagnostic and  
5 Statistical Manual of Mental Disorders, as periodically  
6 revised, or subsequent publication as the illnesses apply to  
7 adults and children:

8 (1) Schizophrenia;

10 (2) Bipolar disorder;

12 (3) Pervasive developmental disorder, or autism;

14 (4) Paranoia;

16 (5) Panic disorder;

18 (6) Obsessive-compulsive disorder;

20 (7) Major depressive disorder;

22 (8) Eating disorders, including bulimia and anorexia;

24 (9) Attention deficit and disruptive behavior  
25 disorders;

26 (10) Tic disorders; and

28 (11) Substance abuse-related disorders.

30 C. "Child" means any person under 19 years of age.

32 D. "Day treatment services" includes psychoeducational,  
34 physiological, psychological and psychosocial concepts,  
35 techniques and processes to maintain or develop functional  
36 skills of clients provided to individuals and groups for  
37 periods of more than 2 hours but less than 24 hours per day.

38 E. "Health benefit plan" means:

40 (1) Policies, contracts or certificates for hospital  
42 or medical benefits that are offered, renewed, amended,  
43 executed, continued, delivered or issued for delivery  
44 in this State to an employer or individual on a group  
45 or individual basis or on an individual or group  
46 subscription basis and that provide coverage for  
47 residents of this State;

48 (2) Nonprofit hospital or medical service or indemnity  
50 plans;

2                   (3) Health maintenance organization subscriber or  
3                   group master contracts;

4                   (4) Preferred provider plans;

6                   (5) Health benefit plans offered or administered by  
7                   the State or by any subdivision or instrumentality of  
8                   the State;

10                  (6) Multiple employer welfare arrangements or  
11                  associations located in this State or another state  
12                  that cover residents of this State who are eligible  
13                  employees; or

14                  (7) Employer self-insured plans that are not exempt  
15                  pursuant to the federal Employee Retirement Income  
16                  Security Act provisions.

18                  "Health benefit plan" does not include accident-only  
19                  insurance; fixed indemnity insurance; credit health  
20                  insurance; Medicare supplement policies; Civilian Health and  
21                  Medical Program of the Uniformed Services supplement  
22                  policies; long-term care insurance; disability income  
23                  insurance; workers' compensation or similar insurance;  
24                  disease-specific insurance; automobile medical payment  
25                  insurance; dental insurance; or vision insurance.

28                  F. "Home support services" means rehabilitative services,  
29                  treatment services and living skills services provided for a  
30                  person with a biologically based mental illness. "Home  
31                  support services" may be provided in a community setting or  
32                  the person's current place of residence and are services  
33                  that promote the integration of the person into the  
34                  community, sustain the person in the person's current living  
35                  situation or another living situation of the person's  
36                  choosing and enhance the quality of the person's life.  
37                  "Home support services" may be provided directly to the  
38                  person or indirectly through collateral contact or by  
39                  telephone contact or other means on behalf of the person.  
40                  "Home support services" include, but are not limited to:

42                   (1) Case management services and assertive community  
43                   treatment services;

44                   (2) Medication education and monitoring;

46                   (3) Crisis intervention and resolution services and  
47                   follow-up services; and

48                   (4) Individual, group and family counseling services.

2           G. "Inpatient services" includes, but is not limited to, a  
4           range of physiological, psychological and other intervention  
6           concepts, techniques and processes in a community mental  
8           health psychiatric inpatient unit, general hospital  
10           psychiatric unit or psychiatric hospital licensed by the  
            Department of Human Services or accredited public hospital  
            to restore psychosocial functioning sufficient to allow  
            maintenance and support of a person suffering from a  
            biologically based mental illness in a less restrictive  
            setting.

12           H. "Inpatient treatment" means mental health or substance  
14           abuse services delivered on a 24-hour per day basis in a  
16           hospital, accredited public hospital, alcohol or drug  
18           rehabilitation facility, intermediate care facility,  
            community mental health psychiatric inpatient unit, general  
            hospital psychiatric unit or psychiatric hospital licensed  
            by the Department of Human Services.

20           I. "Intermediate care facility" means a licensed,  
22           residential public or private facility that is not a  
24           hospital and that is operated primarily for the purpose of  
            providing a continuous, structured, 24-hour per day,  
            state-approved program of inpatient substance abuse services.

26           J. "Mental health services" means treatment for  
28           biologically based mental illnesses.

30           K. "Outpatient care" means care rendered by a  
32           state-licensed, approved or certified detoxification,  
34           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.

36           L. "Outpatient services" includes, but is not limited to,  
38           screening, evaluation, consultations, diagnosis and  
40           treatment involving use of psychoeducational, physiological,  
42           psychological and psychosocial evaluative and interventive  
            concepts, techniques and processes provided to individuals  
            and groups.

44           M. "Person suffering from a biologically based mental  
46           illness" means a person whose psychobiological processes are  
48           impaired severely enough to manifest problems in the areas  
            of social, psychological or biological functioning. Such a  
            person has a disorder of thought, mood, perception,  
50           orientation or memory that impairs judgment, behavior,

2 capacity to recognize or ability to cope with the ordinary  
3 demands of life. The person manifests an impaired capacity  
4 to maintain acceptable levels of functioning in the area of  
5 intellect, emotion or physical well-being.

6 N. "Preexisting condition" means a condition existing  
7 during a specified period immediately preceding the  
8 effective date of coverage, which would have caused an  
9 ordinarily prudent person to seek medical advice, diagnosis,  
10 care or treatment or a condition for which medical advice,  
11 diagnosis, care or treatment was recommended or received  
12 during a specified period immediately preceding the  
13 effective date of coverage.

14 O. "Preexisting condition provision" means a provision in a  
15 health benefit plan that denies, excludes or limits benefits  
16 for an enrollee for expenses or services related to a  
17 preexisting condition.

18 P. "Provider" means those individuals included in Title  
19 24-A, section 2744, subsection 1 and a licensed physician,  
20 an accredited public hospital or psychiatric hospital or a  
21 community agency licensed at the comprehensive service level  
22 by the Department of Mental Health, Mental Retardation and  
23 Substance Abuse Services. All agencies or institutional  
24 providers named in this paragraph shall ensure that services  
25 are supervised by a psychiatrist, licensed psychologist or  
26 master's degree-level clinician, licensed in the State to  
27 practice at the independent level, who meets Department of  
28 Mental Health, Mental Retardation and Substance Abuse  
29 Services standards for the provision of supervision.

30 Q. "Residential treatment" means services at a facility  
31 that provides care 24 hours daily to one or more patients,  
32 including, but not limited to, room and board; medical,  
33 nursing and dietary services; patient diagnosis, assessment  
34 and treatment; individual, family and group counseling; and  
35 educational and support services, including a designated  
36 unit of a licensed health care facility providing any and  
37 all other services specified in this paragraph to patients  
38 with biologically based mental illnesses.

39 R. "Treatment" means services, including diagnostic  
40 evaluation, medical, psychiatric and psychological care, and  
41 psychotherapy for biologically based mental illnesses  
42 rendered by a hospital, alcohol or drug rehabilitation  
43 facility, intermediate care facility, mental health  
44 treatment center or a professional, licensed in this State  
45 to diagnose and treat conditions defined in the Diagnostic  
46 and Statistical Manual of Mental Disorders, 4th Edition.

2                   and Statistical Manual of Mental Disorders, as periodically  
3                   revised or subsequent publication.

4                   **Sec. 5. 24 MRSA §2325-A, sub-§§4 and 5, as enacted by PL 1983,**  
5                   **c. 515, §4, are amended to read:**

6                   **4. Requirement.** Every nonprofit hospital or medical  
7                   service organization ~~which~~ that issues individual or group health  
8                   care contracts providing coverage for hospital care to residents  
9                   of this State shall provide benefits as required in this section  
10                   to any subscriber or other person covered under those contracts  
11                   for conditions arising from mental illness. The requirements of  
12                   this section apply to every health benefit plan that provides  
13                   coverage for a family member of the insured or the subscriber  
14                   that is offered, renewed, amended, executed, continued, delivered  
15                   or issued for delivery in this State to an employer or individual  
16                   on a group or individual basis.

17                   **5. Services.** Each individual or group contract shall ~~must~~  
18                   provide, at a minimum, for the following benefits for a person  
19                   suffering from a mental ~~or-nervous-condition~~ illness:

- 20                   A. Inpatient ~~care~~ treatment and services;  
21                   B. Day treatment services; and  
22                   C. Outpatient ~~care, treatment and services;~~  
23                   D. Home support services; and  
24                   E. Residential treatment.

25                   **Sec. 6. 24 MRSA §2325-A, sub-§5-A, as amended by PL 1989, c.**  
26                   **490, §1, is repealed.**

27                   **Sec. 7. 24 MRSA §2325-A, sub-§5-C, as amended by PL 1995, c.**  
28                   **625, Pt. B, §6 and affected by §7 and amended by c. 637, §1, is**  
29                   **further amended to read:**

30                   **5-C. Coverage for treatment for certain mental illnesses.**  
31                   Coverage for medical treatment for biologically based mental  
32                   illnesses ~~listed-in-paragraph-A~~ is subject to this subsection.

- 33                   A. All individual and group contracts must provide, at a  
34                   minimum, benefits according to paragraph B, subparagraph (1)  
35                   for a person receiving medical treatment for any of the  
36                   following mental illnesses diagnosed by a licensed  
37                   allopathic or osteopathic physician or a licensed  
38                   psychologist who is trained and has received a doctorate in



2           psychology specializing in the evaluation and treatment of  
3           human-behavior; biologically based mental illnesses.

4           (1)--Schizophrenia;

6           (2)--Bipolar-disorder;

8           (3)--Pervasive-developmental-disorder,--or-autism;

10          (4)--Paranoia;

12          (5)--Panic-disorder;

14          (6)--Obsessive-compulsive-disorder;-or

16          (7)--Major-depressive-disorder.

18           B. All individual and group policies, contracts and  
19           certificates executed, delivered, issued for delivery,  
20           continued or renewed in this State on or after July 1, 1996  
21           must provide benefits that meet the requirements of this  
22           paragraph. For purposes of this paragraph, all contracts  
23           are deemed renewed no later than the next yearly anniversary  
24           of the contract date.

26           (1) The contracts must provide benefits for the  
27           treatment and diagnosis of biologically based mental  
28           illnesses under terms and conditions that are no less  
29           extensive than equal to the benefits provided for  
30           medical treatment for physical illnesses.

32           (2) At the request of a nonprofit hospital or medical  
33           service organization, a provider of medical or  
34           psychiatric treatment for biologically based mental  
35           illness shall furnish data substantiating that initial  
36           or continued treatment is medically or psychiatrically  
37           necessary and appropriate. When making the  
38           determination of whether treatment is medically or  
39           psychiatrically necessary and appropriate, the provider  
40           shall use the same criteria for medical treatment for  
41           biologically based mental illness as for medical  
42           treatment for physical illness under the group contract.

44           (3) The benefits and coverage required under this  
45           paragraph must be provided as one set of benefits and  
46           coverage covering biologically based mental illness  
47           must have the same terms and conditions as the benefits  
48           and coverage for physical illnesses covered under the  
49           policy or contract subject to this section and may be  
50           delivered under a managed care system.

2           (4) A policy, contract or certificate subject to this  
3           paragraph may not have separate lifetime maximums for  
4           physical illnesses and biologically based mental  
5           illnesses; separate deductibles and coinsurance amounts  
6           for physical illnesses and biologically based mental  
7           illnesses; separate out-of-pocket limits in a benefit  
8           period of not more than 12 months for physical  
9           illnesses and biologically based mental illnesses; or  
10           separate office visitation limits for physical  
11           illnesses and biologically based mental illnesses.

12           (5) A health benefit plan may not impose a limitation  
13           on coverage or benefits for biologically based mental  
14           illnesses unless that same limitation is also imposed  
15           identically on the coverage and benefits for physical  
16           illnesses covered under the policy or contract.

17           (6) Any copayments required under a policy or contract  
18           for benefits and coverage for biologically based mental  
19           illnesses must be actuarially equivalent to any  
20           coinsurance requirements or if there are no coinsurance  
21           requirements, the copayment may not be greater than any  
22           copayment required under the policy or contract for a  
23           benefit or coverage for a physical illnesses.

24           (7) A health benefit plan may not limit coverage for  
25           a preexisting condition that is a biologically based  
26           mental illness.

27           (8) For the purposes of this paragraph, a medication  
28           management visit associated with a biologically based  
29           mental illness must be covered in the same manner as a  
30           medication management visit for the treatment of a  
31           physical illness and may not be counted in the  
32           calculation of any maximum outpatient treatment visit  
33           limits.

34           This subsection does not apply to policies, contracts and  
35           certificates covering employees of employers with 20 or fewer  
36           employees, whether the group policy is issued to the employer, to  
37           an-association,-to-a-multiple-employer-trust-or-to-another-entity.

38           This subsection may not be construed to allow coverage and  
39           benefits for the treatment of alcoholism or other drug  
40           dependencies through the diagnosis of a mental illness listed in  
41           paragraph-A.

42           Sec. 8. 24 MRSA §2325-A, sub-§5-D, as amended by PL 1995, c.  
43           637, §2, is repealed.

44

2           **Sec. 9. 24 MRSA §2325-A, sub-§§6 and 7**, as enacted by PL 1983,  
c. 515, §4, are amended to read:

4           **6. Contracts; providers.** Subject to the approval by the  
6 Superintendent of Insurance pursuant to section 2305, a nonprofit  
hospital or medical service organization incorporated under this  
8 chapter shall offer contracts to providers, as described under  
Title 24-A, section 2744, authorizing the provision of mental  
10 health services within the scope of the provider's licensure and  
within the scope of this section.

12           **7. Limits; coinsurance; deductibles.** Any policy or  
14 contract ~~which that~~ provides coverage for the services required  
by this section may contain provisions for maximum benefits and  
16 coinsurance and reasonable limitations, deductibles and  
exclusions to the extent that these provisions are not  
18 inconsistent with the requirements of this section only to the  
extent that these maximum benefits and coinsurance and reasonable  
limitations, deductibles and exclusions are equal to those  
20 established for physical illness and conform with the  
requirements of subsection 5-C.

22           **Sec. 10. 24 MRSA §2325-A, sub-§10** is enacted to read:

24           **10. Transition.** The provisions of this section do not  
26 limit the provision of specialized services for individuals with  
mental illness who are covered by Medicaid, supercede the  
28 provisions of federal law, federal or state Medicaid policy or  
the terms and conditions imposed on any Medicaid waiver granted  
30 to the State with respect to the provision of services to  
individuals with mental illness and affect any annual health  
32 insurance plan until its date of renewal or any health insurance  
plan governed by a collective bargaining agreement or employment  
34 contract until the expiration of that contract.

36           **Sec. 11. 24-A MRSA §2749-C**, as amended by PL 1995, c. 637,  
§3, is further amended to read:

38           **§2749-C. Mandated coverage for certain mental illnesses**

40           **1. Coverage for treatment for certain mental illnesses.**  
42 Coverage for medical treatment for biologically based mental  
illnesses listed in paragraph A by all individual policies is  
44 subject to this section. For purposes of this section,  
"biologically based mental illness" has the same meaning as  
46 defined in section 2843, subsection 3-A.

48           A. All individual policies must make available coverage  
providing, at a minimum, provide benefits according to  
50 paragraph B, subparagraph (1) for a person receiving medical  
treatment for any of the following biologically based mental  
52 illnesses diagnosed by a licensed allopathic or osteopathic

2 physician or a licensed psychologist who is trained and has  
received a doctorate in psychology specializing in the  
evaluation-and-treatment-of-human-behavior:

- 4 (1) Schizophrenia;
- 6 (2) Bipolar disorder;
- 8 (3) Pervasive developmental disorder, or autism;
- 10 (4) Paranoia;
- 12 (5) Panic disorder;
- 14 (6) Obsessive-compulsive disorder; or
- 16 (7) Major depressive disorder;
- 18 (8) Attention deficit and disruptive behavior  
20 disorders;
- 22 (9) Tic disorders;
- 24 (10) Eating disorders, including bulimia and anorexia;  
26 and
- (11) Substance abuse-related disorders.

28 B. All individual policies and contracts executed,  
30 delivered, issued for delivery, continued or renewed in this  
State on or after July 1, 1996 must make available coverage  
32 providing provide benefits that meet the requirements of  
this paragraph. For purposes of this paragraph, all  
34 contracts are deemed renewed no later than the next yearly  
anniversary of the contract date.

36 (1) The offer of coverage contracts must provide  
38 benefits for the treatment and diagnosis of  
biologically based mental illnesses under terms and  
40 conditions that are no less extensive than equal to the  
benefits provided for medical treatment for physical  
42 illnesses.

44 (2) At the request of a reimbursing insurer, a  
provider of medical or psychiatric treatment for  
46 biologically based mental illness shall furnish data  
substantiating that initial or continued treatment is  
48 medically or psychiatrically necessary and  
appropriate. When making the determination of whether  
50 treatment is medically or psychiatrically necessary and

2 appropriate, the provider shall use the same criteria  
3 for medical or psychiatric treatment for mental illness  
4 as for medical treatment for physical illness under the  
5 individual policy.

6 (3) The benefits and coverage required under this  
7 paragraph must be provided as one set of benefits and  
8 coverage covering biologically based mental illness,  
9 must have the same terms and conditions as the benefits  
10 and coverage for physical illnesses covered under the  
11 policy or contract and may be delivered under a managed  
12 care system.

13 (4) A policy or contract subject to this paragraph may  
14 not have separate lifetime maximums for physical  
15 illnesses and biologically based mental illnesses;  
16 separate deductibles and coinsurance amounts for  
17 physical illnesses and biologically based mental  
18 illnesses; separate out-of-pocket limits in a benefit  
19 period of not more than 12 months for physical  
20 illnesses and biologically based mental illnesses; or  
21 separate office visitation limits for physical diseases  
22 and disorders and biologically based mental illnesses.

23 (5) A health benefit plan may not impose a limitation  
24 on coverage or benefits for biologically based mental  
25 illnesses unless that same limitation is also imposed  
26 identically on the coverage and benefits for physical  
27 illnesses covered under the policy or contract.

28 (6) Any copayments required under a policy or contract  
29 for benefits and coverage for biologically based mental  
30 illnesses must be actuarially equivalent to any  
31 coinsurance requirements or if there are no coinsurance  
32 requirements, the copayment may not be greater than any  
33 copayment required under the policy or contract for a  
34 benefit or coverage for a physical illness.

35 (7) A health benefit plan may not limit coverage for a  
36 preexisting condition, as defined in section 2843,  
37 subsection 3-A, that is a biologically based mental  
38 illness.

39 (8) For the purposes of this paragraph, a medication  
40 management visit associated with a biologically based  
41 mental illness must be covered in the same manner as a  
42 medication management visit for the treatment of a  
43 physical illness and may not be counted in the  
44 calculation of any maximum outpatient treatment visit  
45 limits.

2 This subsection may not be construed to allow coverage and  
benefits for the treatment of alcoholism or other drug  
dependencies through the diagnosis of a mental illness listed in  
4 paragraph-A.

6 **2. Contracts; providers.** Subject to approval by the  
superintendent pursuant to section 2305, an insurer incorporated  
8 under this chapter shall offer contracts to providers, as  
described by section 2744, authorizing the provision of mental  
10 health services within the scope of the provider's licensure.

12 **3. Limits; coinsurance; deductibles.** A policy or contract  
that provides coverage for the services required by this section  
14 may contain provisions for maximum benefits and coinsurance and  
reasonable limitations, deductibles and exclusions to the extent  
16 that these provisions are not inconsistent with the requirements  
of this section only to the extent that these maximum benefits  
18 and coinsurance and reasonable limitations, deductibles and  
exclusions are equal to those established for physical illness  
20 and conform with requirements of subsection 1, paragraph B.

22 **4. Reports to the superintendent.** Every insurer subject to  
this section shall report its experience for each calendar year  
24 to the superintendent no later than April 30th of the following  
year. The report must be in a form prescribed by the  
26 superintendent and include the amount of claims paid in this  
State for the services required by this section and the total  
28 amount of claims paid in this State for individual health care  
policies, both separated according to those paid for inpatient,  
30 day treatment and outpatient services. The superintendent shall  
compile this data for all insurers in an annual report.

32 **5. Application.** Except as otherwise provided, the  
requirements of this section apply to all policies and contracts  
34 executed, delivered, issued for delivery, continued or renewed in  
this State ~~on or after~~ July 1, 1996. For purposes of this  
36 section, all policies are deemed renewed no later than the next  
yearly anniversary of the contract date. Nothing in this section  
38 applies to accidental injury, specified disease, hospital  
indemnity, Medicare supplement, long-term care or other limited  
40 benefit health insurance policies.

42 **6. Transition.** The provisions of this section do not limit  
44 the provision of specialized services for individuals with mental  
illness who are covered by Medicaid, supercede the provisions of  
46 federal law, federal or state Medicaid policy or the terms and  
conditions imposed on any Medicaid waiver granted to the State  
48 with respect to the provision of services to individuals with  
mental illness and affect any annual health insurance plan until  
50 its date of renewal or any health insurance plan governed by a

2 collective bargaining agreement or employment contract until the  
3 expiration of that contract.

4 Sec. 12. 24-A MRSA §2843, sub-§1, ¶C, as enacted by PL 1983,  
5 c. 515, §6, is repealed and the following enacted in its place:

6 C. Typical health coverage in this State continues to  
7 discriminate against mental illness and those coping with  
8 such illnesses despite repeated efforts to mandate equal  
9 coverage. Discrimination takes the form of limiting or  
10 denying coverage with nonexistent or limited benefits  
11 compared to provisions for other illnesses, which are not  
12 limited or denied; and

13 Sec. 13. 24-A MRSA §2843, sub-§2, ¶¶A and B, as enacted by PL  
14 1983, c. 515, §6, are amended to read:

15 A. Promote Require that every health benefit plan offered,  
16 amended, delivered, continued, executed, issued for delivery  
17 or renewed in this State provide coverage and benefits for  
18 biologically based mental illness and substance abuse  
19 programs equal to or exceeding the coverage and benefits  
20 available under health benefit plans for the diagnosis and  
21 treatment of all other covered physical illnesses and to  
22 ensure equitable and nondiscriminatory health coverage  
23 benefits for all forms of illness, including mental and  
24 emotional disorders, which that are of significant  
25 consequence to the health of Maine people and which can be  
26 treated in a cost-effective cost-effective manner;

27 B. Assure Ensure that victims of mental and other illnesses  
28 have access to and choice of appropriate treatment at the  
29 earliest point of illness in least restrictive settings,  
30 including coverage for inpatient treatment, outpatient  
31 services, day treatment services, outpatient care,  
32 residential treatment, home support services, crisis  
33 intervention and resolution care, medication, maximum  
34 lifetime benefits, copayments, home visits, individual and  
35 family deductibles and coinsurance;

36 Sec. 14. 24-A MRSA §2843, sub-§3, as amended by PL 1995, c.  
37 560, Pt. K, §82 and affected by §83, is repealed.

38 Sec. 15. 24-A MRSA §2843, sub-§3-A is enacted to read:

39 3-A. Definitions. For purposes of this section, unless the  
40 context otherwise indicates, the following terms have the  
41 following meanings.

2           A. "Adult" means any person who is 19 years of age or older.

4           B. "Biologically based mental illness" means any mental or  
6 nervous condition caused by a biological disorder of the  
8 brain that results in a clinically significant syndrome that  
10 substantially limits the person's functioning.  
12 "Biologically based mental illness" includes, but is not  
14 limited to, any of the following illnesses for which the  
16 diagnostic criteria are prescribed in the most recent  
18 edition of the Diagnostic and Statistical Manual of Mental  
20 Disorders, as periodically revised, or subsequent  
22 publication as the illnesses apply to adults and children:

24           (1) Schizophrenia;

26           (2) Bipolar disorder;

28           (3) Pervasive developmental disorder, or autism;

30           (4) Paranoia;

32           (5) Panic disorder;

34           (6) Obsessive-compulsive disorder;

36           (7) Major depressive disorder;

38           (8) Attention deficit and disruptive behavior  
40 disorders;

42           (9) Eating disorders, including bulimia and anorexia;

44           (10) Tic disorders; or

46           (11) Substance abuse-related disorders.

48           C. "Child" means any person under 19 years of age.

50           D. "Day treatment services" includes psychoeducational,  
1 physiological, psychological and psychosocial concepts,  
2 techniques and processes necessary to maintain or develop  
3 functional skills of clients provided to individuals and  
4 groups for periods of more than 2 hours but less than 24  
5 hours per day.

6           E. "Health benefit plan" means:

7           (1) Policies, contracts or certificates for hospital  
8 or medical benefits that are offered, renewed, amended,  
9 executed, continued, delivered or issued for delivery



2 in this State to an employer or individual on a group  
3 or individual basis or on an individual or group  
4 subscription basis and that provide coverage for  
5 residents of this State;

6 (2) Nonprofit hospital or medical service organization  
7 plans;

8 (3) Health maintenance organization subscriber or  
9 group master contracts;

10 (4) Preferred provider plans;

11 (5) Health benefit plans offered or administered by  
12 the State or by any subdivision or instrumentality of  
13 the State;

14 (6) Multiple employer welfare arrangements or  
15 associations located in this State or another state  
16 that cover residents of this State who are eligible  
17 employees; or

18 (7) Employer self-insured plans that are not exempt  
19 pursuant to the federal Employee Retirement Income  
20 Security Act provisions.

21 "Health benefit plan" does not include accident-only  
22 insurance; fixed indemnity insurance; credit health  
23 insurance; Medicare supplement policies; Civilian Health and  
24 Medical Program of the Uniformed Services supplement  
25 policies; long-term care insurance; disability income  
26 insurance; workers' compensation or similar insurance;  
27 disease-specific insurance; automobile medical payment  
28 insurance; dental insurance; or vision insurance.

29 F. "Home support services" means rehabilitative services,  
30 treatment services and living skills services provided for a  
31 person with a biologically based mental illness. Home  
32 support services may be provided in a community setting or  
33 the person's current place of residence and are services  
34 that promote the integration of the person into the  
35 community, sustain the person in the person's current living  
36 situation or another living situation of the person's  
37 choosing and enhance the quality of the person's life. Home  
38 support services may be provided directly to the person or  
39 indirectly through collateral contact or by telephone  
40 contact or other means on behalf of the person. "Home  
41 support services" include, but are not limited to:

2           (1) Case management services and assertive community  
3           treatment services;

4           (2) Medication education and monitoring;

6           (3) Crisis intervention and resolution services and  
7           follow-up services; and

8           (4) Individual, group and family counseling services.

10  
11           G. "Inpatient services" includes, but is not limited to, a  
12           range of physiological, psychological and other intervention  
13           concepts, techniques and processes in a community mental  
14           health psychiatric inpatient unit, general hospital  
15           psychiatric unit or psychiatric hospital licensed by the  
16           Department of Human Services or accredited public hospital  
17           to restore psychosocial functioning sufficient to allow  
18           maintenance and support of the client in a less restrictive  
19           setting.

20  
21           H. "Inpatient treatment" means mental health or substance  
22           abuse services delivered on a 24-hour per day basis in a  
23           hospital, accredited public hospital, alcohol or drug  
24           rehabilitation facility, intermediate care facility,  
25           community mental health psychiatric inpatient unit, general  
26           hospital psychiatric unit or psychiatric hospital licensed  
27           by the Department of Human Services.

28  
29           I. "Intermediate care facility" means a licensed,  
30           residential public or private facility that is not a  
31           hospital and that is operated primarily for the purpose of  
32           providing a continuous, structured, 24-hour per day,  
33           state-approved program of inpatient substance abuse services.

34  
35           J. "Mental health services" means treatment for  
36           biologically based mental illnesses.

37  
38           K. "Outpatient care" means care rendered by a  
39           state-licensed, approved or certified detoxification,  
40           residential treatment or outpatient program, or partial  
41           hospitalization program on a periodic basis, including, but  
42           not limited to, patient diagnosis, assessment and treatment,  
43           individual, family and group counseling and educational and  
44           support services.

45  
46           L. "Outpatient services" includes, but is not limited to,  
47           screening, evaluation, consultations, diagnosis and  
48           treatment involving use of psychoeducational, physiological,  
          psychological and psychosocial evaluative and interventive

2 concepts, techniques and processes provided to individuals  
3 and groups.

4 M. "Person suffering from a biologically based mental  
5 illness" means a person whose psychobiological processes are  
6 impaired severely enough to manifest problems in the areas  
7 of social, psychological or biological functioning. Such a  
8 person has a disorder of thought, mood, perception,  
9 orientation or memory that impairs judgment, behavior,  
10 capacity to recognize or ability to cope with the ordinary  
11 demands of life. The person manifests an impaired capacity  
12 to maintain acceptable levels of functioning in the areas of  
13 intellect, emotion or physical well-being.

14 N. "Preexisting condition" means a condition existing  
15 during a specified period immediately preceding the  
16 effective date of coverage, which would have caused an  
17 ordinarily prudent person to seek medical advice, diagnosis,  
18 care or treatment or a condition for which medical advice,  
19 diagnosis, care or treatment was recommended or received  
20 during a specified period immediately preceding the  
21 effective date of coverage.

22 O. "Preexisting condition provision" means a provision in a  
23 health benefit plan that denies, excludes or limits benefits  
24 for an enrollee for expenses or services related to a  
25 preexisting condition.

26 P. "Provider" means individuals included in section 2835  
27 and a licensed physician with 3 years approved residency in  
28 psychiatry, an accredited public hospital or psychiatric  
29 hospital or a community agency licensed at the comprehensive  
30 service level by the Department of Mental Health, Mental  
31 Retardation and Substance Abuse Services. All agency or  
32 institutional providers named in this paragraph shall ensure  
33 that services are supervised by a psychiatrist or licensed  
34 psychologist or master's degree-level clinician, licensed in  
35 the State to practice at the independent level, who meets  
36 Department of Mental Health, Mental Retardation and  
37 Substance Abuse Service standards for the provision of  
38 supervision.

39 Q. "Residential treatment" means services at a facility  
40 that provides care 24 hours daily to one or more patients,  
41 including, but not limited to, room and board; medical,  
42 nursing and dietary services; patient diagnosis, assessment  
43 and treatment; individual, family and group counseling; and  
44 educational and support services, including a designated  
45 unit of a licensed health care facility providing any and  
46 other services.

2 all other services specified in this paragraph to a person  
3 suffering from a biologically based mental illness.

4 R. "Treatment" means services, including diagnostic  
5 evaluation, medical, psychiatric and psychological care, and  
6 psychotherapy for biologically based mental illnesses  
7 rendered by a hospital, alcohol or drug rehabilitation  
8 facility, intermediate care facility, mental health  
9 treatment center or a professional, licensed in this State  
10 to diagnose and treat conditions defined in the Diagnostic  
11 and Statistical Manual of Mental Disorders, as periodically  
12 revised or subsequent publication.

14 **Sec. 16. 24-A MRSA §2843, sub-§§4 and 5, as enacted by PL 1983,**  
15 **c. 515, §6, are amended to read:**

16 **4. Requirement.** Every 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 person covered under  
20 those contracts for conditions arising from mental illness. The  
21 requirements of this section apply to every health benefit plan  
22 that provides coverage for a family member of the insured or the  
23 subscriber that is offered, renewed, amended, executed,  
24 continued, delivered or issued for delivery in this State to an  
25 employer on a group basis.

26 **5. Services.** Each group contract shall ~~must~~ provide, at a  
27 minimum, for the following benefits for a person suffering from a  
28 mental ~~or-nervous-condition~~ illness:  
29

- 30 A. Inpatient care treatment and services;  
31  
32 B. Day treatment services; and  
33  
34 C. Outpatient care, treatment and services;  
35  
36 D. Home support services; and  
37  
38 E. Residential treatment.  
39

40 **Sec. 17. 24-A MRSA §2843, sub-§5-A, as amended by PL 1989, c.**  
41 **490, §4, is repealed.**

42 **Sec. 18. 24-A MRSA §2843, sub-§5-C, as amended by PL 1995, c.**  
43 **625, Pt. B, §8 and affected by §9 and amended by c. 637, §4, is**  
44 **further amended to read:**

5-C. Coverage for treatment for certain mental illnesses.

Coverage for medical treatment for biologically based mental illnesses ~~listed in paragraph A~~ is subject to this subsection.

A. All group contracts must provide, at a minimum, benefits according to paragraph B, subparagraph (1) for a person receiving medical treatment for any of the following mental illnesses diagnosed by a licensed allopathic or osteopathic physician or a licensed psychologist who is trained and has received a doctorate in psychology specializing in the evaluation and treatment of human behavior: biologically based mental illness.

(1) ~~--Schizophrenia,~~

(2) ~~--Bipolar disorder,~~

(3) ~~--Pervasive developmental disorder, or autism,~~

(4) ~~--Paranoia,~~

(5) ~~--Panic disorder,~~

(6) ~~--Obsessive compulsive disorder, or~~

(7) ~~--Major depressive disorder.~~

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

(1) The contracts must provide benefits for the treatment and diagnosis of biologically based mental illnesses under terms and conditions that are ~~no less extensive than~~ equal to the benefits provided for medical treatment for physical illnesses.

(2) At the request of a ~~nonprofit hospital or medical service organization~~ reimbursing insurer, a provider of medical or psychiatric treatment for biologically based mental illness shall furnish data substantiating that initial or continued treatment is medically or psychiatrically necessary and appropriate. When making the determination of whether treatment is medically or psychiatrically necessary and appropriate, the provider shall use the same criteria for medical or psychiatric treatment for biologically based mental illness as for

2 medical treatment for physical illness under the group  
contract.

4 (3) The benefits and coverage required under this  
6 paragraph must be provided as one set of benefits and  
8 coverage covering biologically based mental illness,  
10 must have the same terms and conditions as the benefits  
12 and coverage for physical illnesses covered under the  
14 policy or contract subject to this section and may be  
16 delivered under a managed care system.

18 (4) A policy or contract subject to this paragraph may  
20 not have separate maximums for physical illnesses and  
22 biologically based mental illnesses; separate  
24 deductibles and coinsurance amounts for physical  
26 illnesses and biologically based mental illnesses;  
28 separate out-of-pocket limits in a benefit period of  
30 not more than 12 months for physical illnesses and  
32 biologically based mental illnesses; or separate office  
34 visitation limits for physical illnesses and  
36 biologically based mental illnesses.

38 (5) A health benefit plan may not impose a limitation  
40 on coverage or benefits for biologically based mental  
42 illnesses unless that same limitation is also imposed  
44 identically on the coverage and benefits for physical  
46 illnesses covered under the policy or contract.

48 (6) Any copayments required under a policy or contract  
50 for benefits and coverage for biologically based mental  
illnesses must be actuarially equivalent to any  
coinsurance requirements or if there are no coinsurance  
requirements, the copayment may not be greater than any  
copayment required under the policy or contract for a  
benefit or coverage for a physical illness.

(7) A health benefit plan may not limit coverage for a  
preexisting condition that is a biologically based  
mental illness.

(8) For the purposes of this paragraph, a medication  
management visit associated with a biologically based  
mental illness must be covered in the same manner as a  
medication management visit for the treatment of a  
physical illness and may not be counted in the  
calculation of any maximum outpatient treatment visit  
limits.

This subsection does not apply to policies, contracts and  
certificates covering employees of employers with 20 or fewer

2 employees, whether the group policy is issued to the employer, to  
an-association,-to-a-multiple-employer-trust-or-to-another-entity.

4 This subsection may not be construed to allow coverage and  
6 benefits for the treatment of alcoholism or other drug  
dependencies through the diagnosis of a mental illness listed in  
paragraph-A.

8  
10 **Sec. 19.** 24-A MRSA §2843, sub-§5-D, as amended by PL 1995, c.  
637, §5, is repealed.

12 **Sec. 20.** 24-A MRSA §2843, sub-§6, as enacted by PL 1983, c.  
14 515, §6, is amended to read:

16 **6. Limits; coinsurance; deductibles.** Any policy or  
contract which that provides coverage for the services required  
18 by this section may contain provisions for maximum benefits and  
coinsurance and reasonable limitations, deductibles and  
20 exclusions only to the extent that these provisions are not  
inconsistent with the requirements of this section maximum  
22 benefits and coinsurance and reasonable limitations, deductibles  
and exclusions are equal to those established for physical  
24 illness and conforms with the requirements of subsection 5-C,  
paragraph B.

26 **Sec. 21.** 24-A MRSA §2843, sub-§9 is enacted to read:

28 **9. Transition.** The provisions of this section do not limit  
the provision of specialized services for individuals with mental  
30 illness who are covered by Medicaid, supercede the provisions of  
federal law, federal or state Medicaid policy or the terms and  
32 conditions imposed on any Medicaid waiver granted to the State  
with respect to the provision of services to individuals with  
34 mental illness and affect any annual health insurance plan until  
its date of renewal or any health insurance plan governed by a  
36 collective bargaining agreement or employment contract until the  
expiration of that contract.

38  
40 **Sec. 22.** 24-A MRSA §4234-A, sub-§1, ¶C, as enacted by PL 1995,  
c. 407, §10, is repealed and the following enacted in its place:

42 C. Typical health coverage in this State continues to  
discriminate against mental illness and those coping with  
44 such illnesses despite repeated efforts to mandate equal  
coverage. Discrimination takes the form of limiting or  
46 denying coverage with nonexistent or limited benefits  
compared to provisions for other illnesses, which are not  
48 limited or denied; and

2           **Sec. 23.** 24-A MRSA §4234-A, sub-§2, ¶¶A and B, as enacted by  
PL 1995, c. 407, §10, are amended to read:

4           A. ~~Promote~~ Require that every health benefit plan that is  
6           offered, amended, delivered, continued, executed, issued for  
          delivery or renewed in this State provide coverage and  
8           benefits for biologically based mental illness and substance  
          abuse problems equal to or exceeding the coverage and  
10           benefits available under health benefit plans for the  
          diagnosis and treatment of all other covered physical  
12           illnesses and to ensure equitable and nondiscriminatory  
          health coverage benefits for all forms of illness, including  
14           mental and emotional disorders, that are of significant  
          consequence to the health of people of the State and that  
          can be treated in a cost-effective manner;

16           B. Ensure that victims of mental and other illnesses have  
18           access to and choice of appropriate treatment at the  
          earliest point of illness in the least restrictive settings,  
20           including coverage for inpatient treatment, outpatient  
          services, day treatment services, outpatient care,  
22           residential treatment, home support services, crisis  
          intervention and resolution care, medication, maximum  
24           lifetime benefits, copayments, coverage of home visits,  
          individual and family deductibles and coinsurance;

26           **Sec. 24.** 24-A MRSA §4234-A, sub-§3, as amended by PL 1999, c.  
28           256, Pt. O, §3, is repealed.

30           **Sec. 25.** 24-A MRSA §4234-A, sub-§3-A is enacted to read:

32           3-A. Definitions. For purposes of this section, unless the  
          context otherwise indicates, the following terms have the  
34           following meanings.

36           A. "Adult" means any person who is 19 years of age or older.

38           B. "Biologically based mental illness" means any mental or  
          nervous condition caused by a biological disorder of the  
40           brain that results in a clinically significant syndrome that  
          substantially limits the person's functioning.  
42           "Biologically based mental illness" includes, but is not  
          limited to, any of the following illnesses for which the  
44           diagnostic criteria are prescribed in the most recent  
          edition of the Diagnostic and Statistical Manual of Mental  
46           Disorders, as periodically revised, or subsequent  
          publication as the illnesses apply to adults and children:

48                   (1) Schizophrenia;

50



- 2                   (2) Bipolar disorder;
- 4                   (3) Pervasive developmental disorder, or autism;
- 6                   (4) Paranoia;
- 8                   (5) Panic disorder;
- 10                  (6) Obsessive-compulsive disorder;
- 12                  (7) Major depressive disorder;
- 14                  (8) Attention deficit and disruptive behavior  
disorders;
- 16                  (9) Tic disorders;
- 18                  (10) Eating disorders, including bulimia and anorexia;  
and
- 20                  (11) Substance abuse-related disorders.
- 22                  C. "Child" means any person under 19 years of age.
- 24                  D. "Day treatment services" includes psychoeducational,  
26 physiological, psychological and psychosocial concepts,  
28 techniques and processes necessary to maintain or develop  
30 functional skills of clients provided to individuals and  
groups for periods of more than 2 hours but less than 24  
hours a day.
- 32                  E. "Health benefit plan" means:
- 34                   (1) Policies, contracts or certificates for hospital  
36 or medical benefits that are offered, renewed, amended,  
38 executed, continued, delivered or issued for delivery  
40 in this State to an employer or individual on a group  
or individual basis or on an individual or group  
subscription basis and that provide coverage for  
residents of this State;
- 42                   (2) Nonprofit hospital or medical service organization  
44 plans;
- 46                   (3) Health maintenance organization subscriber or  
group master contracts;
- 48                   (4) Preferred provider plans;

2           (5) Health benefit plans offered or administered by  
3           the State or by any subdivision or instrumentality of  
4           the State;

6           (6) Multiple employer welfare arrangements or  
7           associations located in this State or another state  
8           that cover residents of this State who are eligible  
9           employees; or

10          (7) Employer self-insured plans that are not exempt  
11          pursuant to the federal Employee Retirement Income  
12          Security Act provisions.

14          "Health benefit plan" does not include accident-only  
15          insurance; fixed indemnity insurance; credit health  
16          insurance; Medicare supplement policies; Civilian Health and  
17          Medical Program of the Uniformed Services supplement  
18          policies; long-term care insurance; disability income  
19          insurance; workers' compensation or similar insurance;  
20          disease-specific insurance; automobile medical payment  
21          insurance; dental insurance; or vision insurance.

22          F. "Home support services" means rehabilitative services,  
23          treatment services and living skills services provided for a  
24          person with a biologically based mental illness. Home  
25          support services may be provided in a community setting or  
26          the person's current place of residence and are services  
27          that promote the integration of the person into the  
28          community, sustain the person in the person's current living  
29          situation or another living situation of the person's  
30          choosing and enhance the quality of the person's life. Home  
31          support services may be provided directly to the person or  
32          indirectly through collateral contact or by telephone  
33          contact or other means on behalf of the person. "Home  
34          support services" include, but are not limited to:

36                   (1) Case management services and assertive community  
37                   treatment services;

39                   (2) Medication education and monitoring;

41                   (3) Crisis intervention and resolution services and  
42                   follow-up services; and

43                   (4) Individual, group and family counseling services.

45          G. "Inpatient services" includes, but is not limited to, a  
46          range of physiological, psychological and other intervention  
47          concepts, techniques and processes used in a community  
48          mental health psychiatric inpatient unit, general hospital  
49          mental health psychiatric inpatient unit, general hospital  
50          mental health psychiatric inpatient unit, general hospital

2 psychiatric unit or psychiatric hospital licensed by the  
3 Department of Human Services or in an accredited public  
4 hospital to restore psychosocial functioning sufficient to  
5 allow maintenance and support of the client in a less  
6 restrictive setting.

7  
8 H. "Inpatient treatment" means mental health or substance  
9 abuse services delivered on a 24-hour per day basis in a  
10 hospital, accredited public hospital alcohol or drug  
11 rehabilitation facility, intermediate care facility,  
12 community mental health psychiatric inpatient unit, general  
13 hospital psychiatric unit or psychiatric hospital licensed  
14 by the Department of Human Services.

15  
16 I. "Intermediate care facility" means a licensed,  
17 residential public or private facility that is not a  
18 hospital and that is operated primarily for the purpose of  
19 providing a continuous, structured, 24-hour per day,  
20 state-approved program of inpatient substance abuse services.

21  
22 J. "Mental health services" means treatment for  
23 biologically based mental illnesses.

24  
25 K. "Outpatient care" means care rendered by a  
26 state-licensed, approved or certified detoxification,  
27 residential treatment or outpatient program, or partial  
28 hospitalization program on a periodic basis, including, but  
29 not limited to, patient diagnosis, assessment and treatment,  
30 individual, family and group counseling and educational and  
31 support services.

32  
33 L. "Outpatient services" includes, but is not limited to,  
34 screening, evaluation, consultations, diagnosis and  
35 treatment involving use of psychoeducational, physiological,  
36 psychological and psychosocial evaluative and interventive  
37 concepts, techniques and processes provided to individuals  
38 and groups.

39  
40 M. "Person suffering from a biologically based mental  
41 illness" means a person whose psychobiological processes are  
42 impaired severely enough to manifest problems in the area of  
43 social, psychological or biological functioning. Such a  
44 person has a disorder of thought, mood, perception,  
45 orientation or memory that impairs judgment, behavior,  
46 capacity to recognize or ability to cope with the ordinary  
47 demands of life. The person manifests an impaired capacity  
48 to maintain acceptable levels of functioning in the area of  
intellect, emotion or physical well-being.

2 N. "Preexisting condition" means a condition existing  
3 during a specified period immediately preceding the  
4 effective date of coverage, which would have caused an  
5 ordinarily prudent person to seek medical advice, diagnosis,  
6 care or treatment or a condition for which medical advice,  
7 diagnosis, care or treatment was recommended or received  
8 during a specified period immediately preceding the  
9 effective date of coverage.

10 O. "Preexisting condition provision" means a provision in a  
11 health benefit plan that denies, excludes or limits benefits  
12 for an enrollee for expenses or services related to a  
13 preexisting condition.

14 P. "Provider" means an individual included in section 2744,  
15 subsection 1, a licensed physician, an accredited public  
16 hospital or psychiatric hospital or a community agency  
17 licensed at the comprehensive service level by the  
18 Department of Mental Health, Mental Retardation and  
19 Substance Abuse Services. All agency or institutional  
20 providers named in this paragraph shall ensure that  
21 services are supervised by a psychiatrist or licensed  
22 psychologist or master's degree-level clinician, licensed in  
23 the State to practice at the independent level, who meets  
24 Department of Mental Health, Mental Retardation and  
25 Substance Abuse Services standards for the provision of  
26 supervision.

27 Q. "Residential treatment" means services at a facility  
28 that provides care 24 hours daily to one or more patients,  
29 including, but not limited to, room and board; medical,  
30 nursing and dietary services; patient diagnosis, assessment  
31 and treatment; individual, family and group counseling; and  
32 educational and support services, including a designated  
33 unit of a licensed health care facility providing any and  
34 all other services specified in this paragraph to a person  
35 suffering from a biologically based mental illness.

36 R. "Treatment" means services, including diagnostic  
37 evaluation, medical, psychiatric and psychological care, and  
38 psychotherapy for biologically based mental illnesses  
39 rendered by a hospital, alcohol or drug rehabilitation  
40 facility, intermediate care facility, mental health  
41 treatment center or a professional, licensed in this State  
42 to diagnose and treat conditions defined in the Diagnostic  
43 and Statistical Manual of Mental Disorders, as periodically  
44 revised or subsequent publication.

45 **Sec. 26. 24-A MRSA §4234-A, sub-§§4 and 5, as enacted by PL**  
46 **1995, c. 407, §10, are amended to read:**

2           **4. Requirement.** Every health maintenance organization that  
3 issues individual or group health care contracts providing  
4 coverage ~~for hospital care~~ to residents of this State shall  
5 provide benefits as required in this section to any subscriber or  
6 other person covered under those contracts for conditions arising  
7 from mental illness. The requirements of this section apply to  
8 every health benefit plan that provides coverage for a family  
9 member of the insured or the subscriber that is offered, renewed,  
10 amended, executed, continued, delivered or issued for delivery in  
11 this State to an employer or individual on a group or individual  
12 basis.

14           **5. Services.** Each individual or group contract must  
15 provide, at a minimum, the following benefits for a person  
16 suffering from a mental ~~or nervous-condition~~ illness:

- 18           A. Inpatient treatment and services;  
20           B. Day treatment services; and  
22           C. Outpatient care, treatment and services;  
24           D. Home support services; and  
26           E. Residential treatment.

28           **Sec. 27. 24-A MRSA §4234-A, sub-§6,** as amended by PL 1995, c.  
29 637, §6, is further amended to read:

30           **6. Coverage for treatment of certain mental illnesses.**  
31 Coverage for medical treatment for biologically based mental  
32 illnesses ~~listed in paragraph-A~~ is subject to this subsection.

34           A. All individual or group contracts must provide, at a  
35 minimum, benefits according to paragraph B, subparagraph (1)  
36 for a person receiving medical treatment for any of the  
37 following biologically based mental illnesses diagnosed by a  
38 licensed allopathic or osteopathic physician or a licensed  
39 psychologist who is trained and has received a doctorate in  
40 psychology specializing in the evaluation and treatment of  
41 human-behavior.

44                   (1)--Schizophrenia;

46                   (2)--Bipolar-disorder;

48                   (3)--Pervasive-developmental-disorder,-or-autism;

50                   (4)--Paranoia;

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- ~~(5)--Panic-disorder;~~
- ~~(6)--Obsessive-compulsive-disorder;-or~~
- ~~(7)--Major-depressive-disorder.~~

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

(1) The contracts must provide benefits for the treatment and diagnosis of biologically based mental illnesses under terms and conditions that are no less extensive than equal to the benefits provided for medical treatment for physical illnesses.

(2) At the request of a reimbursing health maintenance organization, a provider of medical or psychiatric treatment for biologically based mental illness shall furnish data substantiating that initial or continued treatment is medically or psychiatrically necessary and appropriate. When making the determination of whether treatment is medically or psychiatrically necessary and appropriate, the provider shall use the same criteria for medical or psychiatric treatment for biologically based mental illness as for medical treatment for physical illness under the group contract.

(3) The benefits and coverage required under this paragraph must be provided as one set of benefits and coverage covering biologically based mental illness, must have the same terms and conditions as the benefits and coverage for physical illnesses covered under the policy or contract subject to this section and may be delivered under a managed care system.

(4) The contracts subject to this paragraph may not have separate maximums for physical illnesses and biologically based mental illnesses; separate deductibles and coinsurance amounts for physical illnesses and biologically based mental illnesses; separate out-of-pocket limits in a benefit period of not more than 12 months for physical illnesses and biologically based mental illnesses; or separate office visitation limits for physical illnesses and biologically based mental illnesses.

2           (5) A health benefit plan may not impose a limitation  
3           on coverage or benefits for biologically based mental  
4           illnesses unless that same limitation is also imposed  
5           identically on the coverage and benefits for physical  
6           illnesses covered under the policy or contract.

7           (6) Any copayments required under a policy or contract  
8           for benefits and coverage for biologically based mental  
9           illnesses must be actuarially equivalent to any  
10           coinsurance requirements or if there are no coinsurance  
11           requirements, the copayment may not be greater than any  
12           copayment required under the policy or contract for a  
13           benefit or coverage for a physical illness.

14           (7) A health benefit plan may not limit coverage for a  
15           preexisting condition that is a biologically based  
16           mental illness.

17           (8) For the purposes of this paragraph, a medication  
18           management visit associated with a biologically based  
19           mental illness must be covered in the same manner as a  
20           medication management visit for the treatment of a  
21           physical illness and may not be counted in the  
22           calculation of any maximum outpatient treatment visit  
23           limits.

24           This subsection does not apply to policies, contracts or  
25           certificates covering employees of employers with 20 or fewer  
26           employees, whether the group policy is issued to the employer, to  
27           an-association, to-a-multiple-employer-trust-or-to-another-entity.

28           This subsection may not be construed to allow coverage and  
29           benefits for the treatment of alcoholism and other drug  
30           dependencies through the diagnosis of a mental illness listed in  
31           paragraph-A.

32           **Sec. 28.** 24-A MRSA §4234-A, sub-§7, as amended by PL 1995, c.  
33           637, §7, is repealed.

34           **Sec. 29.** 24-A MRSA §4234-A, sub-§§8 and 9, as enacted by PL  
35           1995, c. 407, §10, are amended to read:

36           **8. Contracts; providers.** Subject to approval by the  
37           superintendent pursuant to section 4204, a health maintenance  
38           organization incorporated under this chapter shall allow  
39           providers, as described in section 2744, to contract, subject to  
40           the health maintenance organization's credentialing policy, for  
41           the provision of mental health services within the scope of the  
42           provider's licensure and within the scope of this section.

