

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 566

H.P. 429

House of Representatives, February 11, 2003

An Act to Ensure Equality in Mental Health Coverage

Reference to the Committee on Health and Human Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative DUDLEY of Portland.

Under suspension of the rules, cosponsored by President DAGGETT of Kennebec and Representatives: ADAMS of Portland, ASH of Belfast, BARSTOW of Gorham, BLANCHETTE of Bangor, BLISS of South Portland, BRANNIGAN of Portland, BREault of Buxton, BULL of Freeport, BUNKER of Kossuth Township, CANAVAN of Waterville, CLARK of Millinocket, Speaker COLWELL of Gardiner, COWGER of Hallowell, CUMMINGS of Portland, DUGAY of Cherryfield, DUNLAP of Old Town, DUPLESSIE of Westbrook, EARLE of Damariscotta, EDER of Portland, FAIRCLOTH of Bangor, FINCH of Fairfield, FISCHER of Presque Isle, GAGNE-FRIEL of Buckfield, GERZOFsky of Brunswick, GOODWIN of Pembroke, GREELEY of Levant, HATCH of Skowhegan, HUTTON of Bowdoinham, KANE of Saco, KOFFMAN of Bar Harbor, LANDRY of Sanford,

Additional cosponsors on next page

LAVERRIERE-BOUCHER of Biddeford, LEMOINE of Old Orchard Beach, LERMAN of Augusta, LESSARD of Topsham, MAILHOT of Lewiston, MAKAS of Lewiston, MARLEY of Portland, MARRACHÉ of Waterville, McGLOCKLIN of Embden, McGOWAN of Pittsfield, McKEE of Wayne, McLAUGHLIN of Cape Elizabeth, McNEIL of Rockland, MILLETT of Waterford, NORBERT of Portland, NORTON of Bangor, O'BRIEN of Augusta, O'BRIEN of Lewiston, O'NEIL of Saco, PARADIS of Frenchville, PATRICK of Rumford, PERCY of Phippsburg, PERRY of Calais, PERRY of Bangor, PINEAU of Jay, PINGREE of North Haven, PIOTTI of Unity, RICHARDSON of Brunswick, RINES of Wiscasset, ROGERS of Brewer, SAMPSON of Auburn, SIMPSON of Auburn, SMITH of Monmouth, SMITH of Van Buren, SULLIVAN of Biddeford, SUSLOVIC of Portland, THOMAS of Orono, THOMPSON of China, TWOMEY of Biddeford, WALCOTT of Lewiston, WATSON of Bath, WHEELER of Kittery, WOODBURY of Yarmouth, WOTTON of Littleton, Senators: BRENNAN of Cumberland, BROMLEY of Cumberland, BRYANT of Oxford, CATHCART of Penobscot, DAMON of Hancock, DOUGLASS of Androscoggin, EDMONDS of Cumberland, GAGNON of Kennebec, HALL of Lincoln, HATCH of Somerset, LaFOUNTAIN of York, LEMONT of York, MARTIN of Aroostook, PENDLETON of Cumberland, ROTUNDO of Androscoggin, SAWYER of Penobscot, STANLEY of Penobscot, STRIMLING of Cumberland, TREAT of Kennebec.

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

2
4 **Sec. 1. 24 MRSA §2325-A, sub-§3, ¶A-1** is enacted to read:

6 A-1. "Home support services" means rehabilitative services,
8 treatment services and living skills services provided for a
10 person with a mental illness. "Home support services" may
12 be provided in a community setting or the person's current
14 place of residence, and are services that promote the
16 integration of the person into the community, sustain the
18 person in the person's current living situation or another
20 living situation of that person's choosing and enhance the
22 person's quality of life. "Home support services" may be
24 provided directly to the person or indirectly through
26 collateral contact or by telephone contact or other means on
28 behalf of the person. "Home support services" includes, but
30 is not limited to:

32 (1) Case management services and assertive community
34 treatment services;

36 (2) Medication education and monitoring;

38 (3) Crisis intervention and resolution services and
40 follow-up services; and

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

44 **Sec. 2. 24 MRSA §2325-A, sub-§3, ¶D**, as enacted by PL 1983, c.
46 515, §4, is amended to read:

48 D. "Person suffering from a mental ~~or nervous~~-condition
50 illness" means a person whose psychobiological processes are
52 impaired severely enough to manifest problems in the areas
54 of social, psychological or biological functioning. Such a
56 person has a disorder of thought, mood, perception,
58 orientation or memory which that impairs judgment, behavior,
60 capacity to recognize or ability to cope with the ordinary
62 demands of life. The person manifests an impaired capacity
64 to maintain acceptable levels of functioning in the areas of
66 intellect, emotion or physical well-being.

68 **Sec. 3. 24 MRSA §2325-A, sub-§3, ¶F** is enacted to read:

70 F. "Residential treatment services" means services at a
72 facility that provides care 24 hours daily to one or more
74 patients, including, but not limited to, the following
76 services: room and board; medical, nursing and dietary
78 services; patient diagnosis, assessment and treatment;
80 individual, family and group counseling; and educational and

2 support services, including a designated unit of a licensed
3 health care facility providing any other services specified
4 in this paragraph to a person suffering from a mental
5 illness.

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

8
9 **4. Requirement.** Every nonprofit hospital ~~or~~ and medical
10 service organization which that issues group health care
11 contracts providing coverage ~~for hospital care~~ to residents of
12 this State shall provide benefits as required in this section to
13 any subscriber or other person covered under those contracts for
14 conditions arising from mental illness.

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

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

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

26 **5-C. Coverage for treatment for certain mental illnesses.**
27 Coverage for medical treatment for mental illnesses listed in
28 paragraph ~~A-~~ A-1 is subject to this subsection.

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

- 36 (1) ~~Schizophrenia;~~
- 37 (2) ~~Bipolar disorder;~~
- 38 (3) ~~Pervasive developmental disorder, or autism;~~

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- ~~(4) -- Paranoia;~~
- ~~(5) -- Panic disorder;~~
- ~~(6) -- Obsessive-compulsive disorder; or~~
- ~~(7) -- Major depressive disorder.~~

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

- (1) Psychotic disorders, including schizophrenia;
- (2) Dissociative disorders;
- (3) Mood disorders;
- (4) Anxiety disorders;
- (5) Personality disorders;
- (6) Paraphilias;
- (7) Attention deficit and disruptive behavior disorders;
- (8) Pervasive developmental disorders;
- (9) Tic disorders;
- (10) Eating disorders, including bulimia and anorexia; and
- (11) Substance abuse-related disorders.

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.

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

8 (2) At the request of a nonprofit hospital or and
medical service organization, a provider of medical or
10 psychiatric treatment for mental illness shall furnish
data substantiating that initial or continued treatment
12 is medically or psychiatrically necessary and
appropriate. When making the determination of whether
14 treatment is medically or psychiatrically necessary and
appropriate, the provider shall use the same criteria
16 for medical or psychiatric treatment for mental illness
as for medical treatment for physical illness under the
18 group contract.

20 (3) If benefits and coverage for treatment of physical
illness are provided on an expense-incurred basis, the
benefits and coverage required under this subsection
22 may be delivered separately under a managed care system.

24 (4) A policy or contract may not have separate
maximums for physical illness and mental illness,
26 separate deductibles and coinsurance amounts for
physical illness and mental illness, separate
28 out-of-pocket limits in a benefit period of not more
than 12 months for physical illness and mental illness
30 or separate office visitation limits for physical
illness and mental illness.

32 (5) A health benefit plan may not impose a limitation
34 on coverage or benefits for mental illness unless that
same limitation is also imposed on the coverage and
36 benefits for physical illness covered under the policy
or contract.

38 (6) Copayments required under a policy or contract for
40 benefits and coverage for mental illness must be
actuarially equivalent to any coinsurance requirements
42 or, if there are no coinsurance requirements, not
greater than any copayment required under the policy or
44 contract for a benefit or coverage for a physical
illness.

46 (7) For the purposes of this section, medication
48 management visits associated with a mental illness must
be covered in the same manner as a medication
50 management visit for the treatment of a physical

2 illness and may not be counted in the calculation of
3 any maximum outpatient treatment visit limits.

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

8 ~~This subsection may not be construed to allow coverage and~~
9 ~~benefits for the treatment of alcoholism or other drug~~
10 ~~dependencies through the diagnosis of a mental illness listed in~~
11 ~~paragraph A.~~

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13 **Sec. 6. 24 MRSA §2325-A, sub-§5-D**, as amended by PL 1995, c.
14 637, §2, is further amended to read:

15
16 **5-D. Mandated offer of coverage for certain mental**
17 **illnesses.** Except as otherwise provided, coverage for medical or
18 psychiatric treatment for mental illnesses listed in paragraph A
19 by all individual and group nonprofit hospital and medical
20 services service organization health care plan contracts is
21 subject to this subsection.

22
23 A. All individual and group contracts must make available
24 coverage providing, at a minimum, benefits according to
25 paragraph B, subparagraph (1) for a person receiving medical
26 or psychiatric treatment for any of the following mental
27 illnesses diagnosed by a licensed allopathic or osteopathic
28 physician or a licensed psychologist who is trained and has
29 received a doctorate in psychology specializing in the
30 evaluation and treatment of human-behavior mental illness:

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32 (1) Schizophrenia;
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34 (2) Bipolar disorder;
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36 (3) Pervasive developmental disorder, or autism;
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38 (4) Paranoia;
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40 (5) Panic disorder;
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42 (6) Obsessive-compulsive disorder; or
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44 (7) Major depressive disorder.

45
46 B. Every nonprofit hospital and medical services service
47 organization and nonprofit health care plan must make
48 available coverage in all individual and group policies,
49 contracts and certificates executed, delivered, issued for
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2 delivery, continued or renewed in this State ~~on or after~~
3 ~~July 1, 1996~~ that provides benefits meeting the requirements
4 of this paragraph. For purposes of this paragraph, all
5 contracts are deemed renewed no later than the next yearly
6 anniversary of the contract date.

7 (1) The offer of coverage must provide benefits for
8 the treatment and diagnosis of mental illnesses under
9 terms and conditions that are no less extensive than
10 the benefits provided for medical treatment for
11 physical illnesses.

12 (2) At the request of a nonprofit hospital ~~or~~ and
13 and a medical service organization, a provider of medical or
14 psychiatric treatment for mental illness shall furnish
15 data substantiating that initial or continued treatment
16 is medically or psychiatrically necessary and
17 appropriate. When making the determination of whether
18 treatment is medically or psychiatrically necessary and
19 appropriate, the provider shall use the same criteria
20 for medical or psychiatric treatment for mental illness
21 as for medical treatment for physical illness under the
22 individual or group contract.

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

27 **Sec. 7. 24 MRSA §2325-A, sub-§6,** as enacted by PL 1983, c.
28 515, §4, is amended to read:

29 **6. Contracts; providers.** Subject to the approval by the
30 Superintendent of Insurance pursuant to section 2305, a nonprofit
31 hospital ~~or~~ and a medical service organization incorporated under
32 this chapter shall offer contracts to providers, including those
33 listed in Title 24-A, sections 2744 and 2835, subsection 1,
34 authorizing the provision of mental health services within the
35 scope of the provider's licensure.

36 **Sec. 8. 24-A MRSA §2749-C, sub-§1,** as amended by PL 1995, c.
37 637, §3, is further amended to read:

38 **1. Coverage for treatment for certain mental illnesses.**
39 Coverage for medical or psychiatric treatment for mental
40 illnesses listed in paragraph A by all individual policies is
41 subject to this section.

42 A. All individual policies must make available coverage
43 providing, at a minimum, benefits according to paragraph B,
44

2 subparagraph (1) for a person receiving medical or
3 psychiatric treatment for any of the following mental
4 illnesses diagnosed by a licensed allopathic or osteopathic
5 physician ~~or~~, a licensed psychologist who is trained and has
6 received a doctorate in psychology specializing in the
7 evaluation and treatment of ~~human-behavior~~ mental illness:

- 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; or
- 20 (7) Major depressive disorder.

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

30 (1) The offer of coverage must provide benefits for
31 the treatment and diagnosis of mental illnesses under
32 terms and conditions that are no less extensive than
33 the benefits provided for medical treatment for
34 physical illnesses.

36 (2) At the request of a reimbursing insurer, a
37 provider of medical or psychiatric treatment for mental
38 illness shall furnish data substantiating that initial
39 or continued treatment is medically or psychiatrically
40 necessary and appropriate. When making the
41 determination of whether treatment is medically or
42 psychiatrically necessary and appropriate, the provider
43 shall use the same criteria for medical or psychiatric
44 treatment for mental illness as for medical treatment
45 for physical illness under the individual policy.

46 This subsection may not be construed to allow coverage and
47 benefits for the treatment of alcoholism or other drug
48 dependencies through the diagnosis of a mental illness listed in
49 paragraph A.
50

2 **Sec. 9. 24-A MRSA §2749-C, sub-§2**, as enacted by PL 1995, c.
407, §5, is amended to read:

4
6 **2. Contracts; providers.** ~~Subject--to--approval--by--the~~
~~superintendent--pursuant--to--section--2305,--an~~ An insurer
8 incorporated under this chapter shall offer contracts to
providers, including those providers listed in section 2744,
10 subsection 1, authorizing the provision of mental health services
within the scope of the provider's licensure.

12 **Sec. 10. 24-A MRSA §2843, sub-§3, ¶A-1** is enacted to read:

14 A-1. "Home support services" means rehabilitative services,
treatment services and living skills services provided for a
16 person with a mental illness. "Home support services" may
be provided in a community setting or the person's current
18 place of residence, and are services that promote the
integration of the person into the community, sustain the
20 person in the person's current living situation or another
living situation of that person's choosing and enhance the
22 person's quality of life. "Home support services" may be
provided directly to the person or indirectly through
24 collateral contact or by telephone contact or other means on
behalf of the person. "Home support services" includes, but
26 is not limited to:

28 (1) Case management services and assertive community
treatment services;

30 (2) Medication education and monitoring;

32 (3) Crisis intervention and resolution services and
34 follow-up services; and

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

38 **Sec. 11. 24-A MRSA §2843, sub-§3, ¶D.** as enacted by PL 1983,
c. 515, §6, is amended to read:

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

2 **Sec. 12. 24-A MRSA §2843, sub-§3, ¶F** is enacted to read:

4 F. "Residential treatment services" means services at a
6 facility that provides care 24 hours daily to one or more
8 patients, including, but not limited to, the following
10 services: room and board; medical, nursing and dietary
12 services; patient diagnosis, assessment and treatment;
14 individual, family and group counseling; and educational and
 support services, including a designated unit of a licensed
 health care facility providing any other services specified
 in this paragraph to a person suffering from a mental
 illness.

16 **Sec. 13. 24-A MRSA §2843, sub-§§4 and 5**, as enacted by PL 1983,
 c. 515, §6, are amended to read:

18 **4. Requirement.** Every insurer which that issues group
20 health care contracts providing coverage ~~for-hospital-care~~ to
 residents of this State shall provide benefits as required in
22 this section to any subscriber or other person covered under
 those contracts for conditions arising from mental illness.

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

- 28 A. Inpatient care;
- 30 B. Day treatment services; and
- 32 C. Outpatient services;
- 34 D. Home support services; and
- 36 E. Residential treatment services.

38 **Sec. 14. 24-A MRSA §2843, sub-§5-C**, as amended by PL 1995, c.
40 625, Pt. B, §8 and affected by §9 and amended by c. 637, §4, is
 further amended to read:

42 **5-C. Coverage for treatment for certain mental illness.**
44 Coverage for medical or psychiatric treatment for mental
 illnesses listed in paragraph --A- A-1 is subject to this
 subsection.

46 ~~A.--All group contracts must provide, at a minimum, benefits~~
48 ~~according to paragraph B, subparagraph (1) for a person~~
 ~~receiving medical treatment for any of the following mental~~
50 ~~illnesses diagnosed by a licensed allopathic or osteopathic~~

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

6 (1)--Schizophrenia;

8 (2)--Bipolar-disorder;

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

12 (4)--Paranoia;

14 (5)--Panic-disorder;

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

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

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

28 (1) Psychotic disorders, including schizophrenia;

30 (2) Dissociative disorders;

32 (3) Mood disorders;

34 (4) Anxiety disorders;

36 (5) Personality disorders;

38 (6) Paraphilias;

40 (7) Attention deficit and disruptive behavior
42 disorders;

44 (8) Pervasive developmental disorders;

46 (9) Tic disorders;

48 (10) Eating disorders, including bulimia and anorexia;
and

50 (11) Substance abuse-related disorders.

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

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10 (1) The contracts must provide benefits for the
11 treatment and diagnosis of mental illnesses under terms
12 and conditions that are no less extensive than the
13 benefits provided for medical treatment for physical
14 illnesses.

15
16 (2) At the request of a ~~nonprofit hospital or medical~~
17 ~~service organization~~ a reimbursing insurer, a provider
18 of medical or psychiatric treatment for mental illness
19 shall furnish data substantiating that initial or
20 continued treatment is medically or psychiatrically
21 necessary and appropriate. When making the
22 determination of whether treatment is medically or
23 psychiatrically necessary and appropriate, the provider
24 shall use the same criteria for medical or psychiatric
25 treatment for mental illness as for medical treatment
26 for physical illness under the group contract.

27
28 (3) If benefits and coverage provided for treatment of
29 physical illness are provided on an expense-incurred
30 basis, the benefits and coverage required under this
31 subsection may be delivered separately under a managed
32 care system.

33
34 (4) A policy or contract may not have separate
35 maximums for physical illness and mental illness,
36 separate deductibles and coinsurance amounts for
37 physical illness and mental illness, separate
38 out-of-pocket limits in a benefit period of not more
39 than 12 months for physical illness and mental illness
40 or separate office visitation limits for physical
41 illness and mental illness.

42
43 (5) A health benefit plan may not impose a limitation
44 on coverage or benefits for mental illness unless that
45 same limitation is also imposed on the coverage and
46 benefits for physical illness covered under the policy
47 or contract.

48
49 (6) Copayments required under a policy or contract for
50 benefits and coverage for mental illness must be
actuarially equivalent to any coinsurance requirements

2 or, if there are no coinsurance requirements, not
3 greater than any copayment required under the policy or
4 contract for a benefit or coverage for a physical
5 illness.

6 (7) For the purposes of this section, medication
7 management visits associated with a mental illness must
8 be covered in the same manner as a medication
9 management visit for the treatment of a physical
10 illness and may not be counted in the calculation of
11 any maximum outpatient treatment visit limits.

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

16 ~~This subsection may not be construed to allow coverage and~~
17 ~~benefits for the treatment of alcoholism or other drug~~
18 ~~dependencies through the diagnosis of a mental illness listed in~~
19 ~~paragraph A.~~

20 **Sec. 15. 24-A MRSA §2843, sub-§5-D**, as amended by PL 1995, c.
21 637, §5, is further amended to read:

22 **5-D. Mandated offer of coverage for certain mental**
23 **illnesses.** Except as otherwise provided in subsection 5-C,
24 coverage for medical or psychiatric treatment for mental
25 illnesses listed in paragraph A by all group contracts is subject
26 to this subsection.

27 A. All group contracts must make available coverage
28 providing, at a minimum, benefits according to paragraph B,
29 subparagraph (1) for a person receiving medical or
30 psychiatric treatment for any of the following mental
31 illnesses diagnosed by a licensed allopathic or osteopathic
32 physician or a licensed psychologist who is trained and has
33 received a doctorate in psychology specializing in the
34 evaluation and treatment of ~~human-behavior~~ mental illness:

- 35 (1) Schizophrenia;
- 36 (2) Bipolar disorder;
- 37 (3) Pervasive developmental disorder, or autism;
- 38 (4) Paranoia;
- 39 (5) Panic disorder;

2 (6) Obsessive-compulsive disorder; or

4 (7) Major depressive disorder.

6 B. All group policies, contracts and certificates executed,
8 delivered, issued for delivery, continued or renewed in this
10 State ~~on or after July 1, 1996~~ must make available coverage
12 providing benefits that meet the requirements of this
14 paragraph. For purposes of this paragraph, all contracts
16 are deemed renewed no later than the next yearly anniversary
18 of the contract date.

20 (1) The offer of coverage must provide benefits for
22 the treatment and diagnosis of mental illnesses under
24 terms and conditions that are no less extensive than
26 the benefits provided for medical treatment for
28 physical illnesses.

30 (2) At the request of a reimbursing insurer, a
32 provider of medical or psychiatric treatment for mental
34 illness shall furnish data substantiating that initial
36 or continued treatment is medically or psychiatrically
38 necessary and appropriate. When making the
40 determination of whether treatment is medically or
42 psychiatrically necessary and appropriate, the provider
44 shall use the same criteria for medical or psychiatric
46 treatment for mental illness as for medical treatment
48 for physical illness under the group contract.

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

34 **Sec. 16. 24-A MRSA §4234-A. sub-§3, ¶A-1** is enacted to read:

36 A-1. "Home support services" means rehabilitative services,
38 treatment services and living skills services provided for a
40 person with a mental illness. "Home support services" may
42 be provided in a community setting or the person's current
44 place of residence, and are services that promote the
46 integration of the person into the community, sustain the
48 person in the person's current living situation or another
living situation of that person's choosing and enhance the
person's quality of life. "Home support services" may be
provided directly to the person or indirectly through
collateral contact or by telephone contact or other means on
behalf of the person. "Home support services" includes, but
is not limited to:

- 2 (1) Case management services and assertive community
treatment services;
- 4 (2) Medication education and monitoring;
- 6 (3) Crisis intervention and resolution services and
follow-up services; and
- 8 (4) Individual, group and family counseling services.

10 **Sec. 17. 24-A MRSA §4234-A, sub-§3, ¶D**, as enacted by PL 1995,
12 c. 407, §10, is amended to read:

14 D. "Person suffering from a mental ~~or nervous-condition~~
16 illness" means a person whose psychobiological processes are
impaired severely enough to manifest problems in the area of
18 social, psychological or biological functioning. Such a
person has a disorder of thought, mood, perception,
orientation or memory that impairs judgment, behavior,
20 capacity to recognize or ability to cope with the ordinary
demands of life. The person manifests an impaired capacity
22 to maintain acceptable levels of functioning in the area of
intellect, emotion or physical well-being.

24 **Sec. 18. 24-A MRSA §4234-A, sub-§3, ¶F** is enacted to read:

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

38 **Sec. 19. 24-A MRSA §4234-A, sub-§§4 and 5**, as enacted by PL
1995, c. 407, §10, are amended to read:

40 **4. Requirement.** Every health maintenance organization that
42 issues individual or group health care contracts providing
coverage ~~for hospital care~~ to residents of this State shall
44 provide benefits as required in this section to any subscriber or
other person covered under those contracts for conditions arising
46 from mental illness.

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

- 2 A. Inpatient services;
- 4 B. Day treatment services; and
- 6 C. Outpatient services;
- 8 D. Home support services; and
- 10 E. Residential treatment services.

12 **Sec. 20. 24-A MRSA §4234-A, sub-§6**, as amended by PL 1995, c.
 14 637, §6, is further amended to read:

16 **6. Coverage for treatment of certain mental illnesses.**
 Coverage for medical or psychiatric treatment for mental
 18 illnesses listed in paragraph --A- A-1 is subject to this
 subsection.

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

- 28 (1) ~~Schizophrenia;~~
- 30 (2) ~~Bipolar disorder;~~
- 32 (3) ~~Pervasive developmental disorder, or autism;~~
- 34 (4) ~~Paranoia;~~
- 36 (5) ~~Panic disorder;~~
- 38 (6) ~~Obsessive compulsive disorder; or~~
- 40 (7) ~~Major depressive disorder.~~

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

50

- 2 (1) Psychotic disorders, including schizophrenia;
- 4 (2) Dissociative disorders;
- 6 (3) Mood disorders;
- 8 (4) Anxiety disorders;
- 10 (5) Personality disorders;
- 12 (6) Paraphilias;
- 14 (7) Attention deficit and disruptive behavior
disorders;
- 16 (8) Pervasive developmental disorders;
- 18 (9) Tic disorders;
- 20 (10) Eating disorders, including bulimia and anorexia;
and
- 22 (11) Substance abuse-related disorders.

24 B. All policies, contracts and certificates executed,
26 delivered, issued for delivery, continued or renewed in this
28 State ~~on or after July 1, 1996~~ must provide benefits that
30 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.

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

38 (2) At the request of a reimbursing health maintenance
40 organization, a provider of medical or psychiatric
42 treatment for mental illness shall furnish data
44 substantiating that initial or continued treatment is
46 medically or psychiatrically necessary and
48 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 mental illness
as for medical treatment for physical illness under the
group contract.

2 (3) If benefits and coverage for the treatment of
4 physical illness are provided on an expense-incurred
6 basis, the benefits and coverage required under this
8 subsection may be delivered separately under a managed
10 care system.

12 (4) A policy or contract may not have separate
14 maximums for physical illness and mental illness,
16 separate deductibles and coinsurance amounts for
18 physical illness and mental illness, separate
20 out-of-pocket limits in a benefit period of not more
22 than 12 months for physical illness and mental illness
24 or separate office visitation limits for physical
26 illness and mental illness.

28 (5) A health benefit plan may not impose a limitation
30 on coverage or benefits for mental illness unless that
32 same limitation is also imposed on the coverage and
34 benefits for physical illness covered under the policy
36 or contract.

38 (6) Copayments required under a policy or contract for
40 benefits and coverage for mental illness must be
42 actuarially equivalent to any coinsurance requirements
44 or, if there are no coinsurance requirements, not
46 greater than any copayment required under the policy or
48 contract for a benefit or coverage for a physical
 illness.

(7) For the purposes of this section, medication
 management visits associated with a 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 or
certificates covering employees of employers with 20 or fewer
employees, whether the group policy is issued to the employer, to
an association, to a multiple-employer trust or to another entity.

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

Sec. 21. 24-A M RSA §4234-A, sub-§7. as amended by PL 1995, c.
637, §7, is further amended to read:

2 **7. Mandated offer of coverage for certain mental**
3 **illnesses.** Except as provided in subsection 6, coverage for
4 medical or psychiatric treatment for mental illnesses listed in
5 paragraph A by all individual and group contracts is subject to
6 this subsection.

7
8 A. All individual and group contracts must make available
9 coverage providing, at a minimum, benefits according to
10 paragraph B, subparagraph (1) for a person receiving medical
11 or psychiatric treatment for any of the following mental
12 illnesses diagnosed by a licensed allopathic or osteopathic
13 physician ~~or~~, a licensed psychologist who is trained and has
14 received a doctorate in psychology specializing in the
15 evaluation and treatment of human-behavior mental illness:

- 16 (1) Schizophrenia;
- 17 (2) Bipolar disorder;
- 18 (3) Pervasive developmental disorder, or autism;
- 19 (4) Paranoia;
- 20 (5) Panic disorder;
- 21 (6) Obsessive-compulsive disorder; or
- 22 (7) Major depressive disorder.

23
24 B. All individual and group policies, contracts and
25 certificates executed, delivered, issued for delivery,
26 continued or renewed in this State ~~on or after July 1, 1996~~
27 must make available coverage providing benefits that meet
28 the requirements of this paragraph. For purposes of this
29 paragraph, all contracts are deemed renewed no later than
30 the next yearly anniversary of the contract date.

31 (1) The offer of coverage must provide benefits for
32 the treatment and diagnosis of mental illnesses under
33 terms and conditions that are no less extensive than
34 the benefits provided for medical treatment for
35 physical illnesses.

36 (2) At the request of a reimbursing health maintenance
37 organization, a provider of medical or psychiatric
38 treatment for mental illness shall furnish data
39 substantiating that initial or continued treatment is
40 medically or psychiatrically necessary and
41 appropriate. When making the determination of whether
42 treatment is medically or psychiatrically necessary and
43

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
individual or group contract.

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

10 **Sec. 22. 24-A MRSA §4234-A, sub-§8**, as enacted by PL 1995, c.
12 407, §10, is amended to read:

14 **8. Contracts; providers.** Subject to approval by the
15 superintendent pursuant to section 4204, a health maintenance
16 organization incorporated under this chapter shall allow
17 providers, including those listed in subsection 8-A or sections
18 2744 or 2835, subsection 1, to contract, subject to the health
19 maintenance organization's credentialing policy, for the
20 provision of mental health services within the scope of the
provider's licensure.

22 **Sec. 23. 24-A MRSA §4234-A, sub-§8-A**, as enacted by PL 1997,
24 c. 174, §1, is amended to read:

26 **8-A. Mental health services provided by counseling**
27 **professionals.** A health maintenance organization that issues
28 individual or group health care contracts providing coverage for
29 mental health services shall ~~offer~~ provide coverage for those
30 services when performed by a counseling professional who is
31 licensed by the State pursuant to Title 32, chapter 119 ~~to assess~~
32 ~~and treat interpersonal and intrapersonal problems, has at least~~
33 ~~a masters degree in counseling or a related field from an~~
34 ~~accredited educational institution and has been employed as~~
35 ~~counselor for at least 2 years.~~ Any contract providing coverage
36 for the services of counseling professionals pursuant to this
37 subsection may be subject to any reasonable limitations, maximum
38 benefits, coinsurance, deductibles or exclusion provisions
39 applicable to overall benefits under the contract. This
40 ~~subsection applies to all contracts executed, delivered, issued~~
41 ~~for delivery, continued or renewed in this State on or after~~
42 ~~January 1, 1998. For purposes of this subsection, all contracts~~
43 ~~are deemed renewed no later than the next yearly anniversary of~~
44 ~~the contract date.~~

46 **Sec. 24. 24-A MRSA §4234-A, sub-§11**, as amended by PL 1995, c.
47 673, Pt. D, §8, is further amended to read:

48 **11. Application.** Except as otherwise provided, the
49 requirements of this section apply to all policies, contracts and
50

2 certificates executed, delivered, issued for delivery, continued
3 or renewed in this State ~~on and after July 1, 1996~~. Contracts
4 entered into with the State Government or the Federal Government
5 to service Medicaid or Medicare populations may limit the
6 services provided under such contracts consistent with the terms
7 of those contracts if mental health services are provided to
8 these populations by other means. For purposes of this section,
9 all contracts are deemed renewed no later than the next yearly
10 anniversary of the contract date.

11 **Sec. 25. Application.** The requirements of this Act apply to
12 all policies, contracts and certificates executed, delivered,
13 issued for delivery, continued or renewed in this State on or
14 after the effective date of this Act. For purposes of this Act,
15 all contracts are deemed to be renewed no later than the next
16 yearly anniversary of the contract date.

18 SUMMARY

19
20 This bill requires parity coverage for mental illnesses for
21 all health benefit plans covering groups of 21 or more. The bill
22 expands the coverage of mental illness to include 11 categories
23 of mental illness as defined in the Diagnostic and Statistical
24 Manual of Mental Disorders, as periodically revised, and allows
25 that coverage to be delivered as a carve out under a managed care
26 system. The bill requires coverage for residential treatment
27 services and home support services. The provisions apply to all
28 policies and contracts issued or renewed on or after the
29 effective date of this bill. The bill makes no change to the
30 mandated offer of parity requirement for individual plans and
31 group plans covering fewer than 20 persons under current law.
32