

1 H.582

2 Introduced by Representatives Donahue of Northfield, Haas of Rochester,

3 Poirier of Barre City, and Woodward of Johnson

4 Referred to Committee on

5 Date:

6 Subject: Health insurance; mental health; benefit management; prior

7 authorization

8 Statement of purpose of bill as introduced: This bill proposes to prohibit
9 management of mental health insurance benefits separately from other health
10 care benefits. It also prohibits prior authorization requirements for mental
11 health care that differ from medical or surgical prior authorization
12 requirements.

13 An act relating to mental health insurance benefits

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. 8 V.S.A. § 4089b is amended to read:

16 § 4089b. HEALTH INSURANCE COVERAGE, MENTAL HEALTH AND
17 SUBSTANCE ABUSE

18 * * *

1 (c) A health insurance plan shall provide coverage for treatment of a mental
2 health condition and shall:

3 (1) not establish any rate, term, or condition that places a greater burden
4 on an insured for access to treatment for a mental health condition than for
5 access to treatment for other health conditions, including no greater
6 co-payment for primary mental health care or services than the co-payment
7 applicable to care or services provided by a primary care provider under an
8 insured's policy and no greater co-payment for specialty mental health care or
9 services than the co-payment applicable to care or services provided by a
10 specialist provider under an insured's policy;

11 (2) not exclude from its network or list of authorized providers any
12 licensed mental health or substance abuse provider located within the
13 geographic coverage area of the health benefit plan if the provider is willing to
14 meet the terms and conditions for participation established by the health
15 insurer; ~~and~~

16 (3) make any deductible or out-of-pocket limits required under a health
17 insurance plan comprehensive for coverage of both mental health and physical
18 health conditions;

19 (4) not establish a prior authorization requirement for mental health care
20 that differs from prior authorization requirements used in the management of
21 medical or surgical care, unless the health insurance plan can demonstrate that

1 the requirement is necessary to provide timely and appropriate mental health
2 care, as supported by evidence-based clinical standards.

3 (d)(1)(A) A health insurance plan that ~~does not otherwise provide~~ provides
4 for management of care under the plan, ~~or that does not provide for the same~~
5 ~~degree of management of care for all health conditions, may provide coverage~~
6 ~~for treatment of mental health conditions through a managed care organization~~
7 ~~provided that the managed care organization is in compliance with the rules~~
8 ~~adopted by the Commissioner that assure that the system for delivery of~~
9 ~~treatment for mental health conditions does not diminish or negate the purpose~~
10 ~~of this section. In reviewing rates and forms pursuant to section 4062 of this~~
11 ~~title, the Commissioner or the Green Mountain Care Board established in~~
12 ~~18 V.S.A. chapter 220, as appropriate, shall consider the compliance of the~~
13 ~~policy with the provisions of this section~~ shall ensure that one organization
14 manages care for all health conditions, including mental health, and that the
15 organization provides the same degree of management of care for mental
16 health conditions as for other health conditions. The “same degree of
17 management” means that mental health care shall not be limited or managed
18 differently from the care of other health conditions, unless the organization can
19 demonstrate that the limitation or differentiation is necessary to provide timely
20 and appropriate mental health care, as supported by evidence-based clinical
21 standards. In reviewing rates and forms pursuant to section 4062 of this title,

1 the Commissioner shall consider whether a health insurance policy is in
2 compliance with the provisions of this section.

3 (B) The rules adopted by the Commissioner shall ~~assure~~ ensure that:

4 (i) timely and appropriate access to mental health care is available
5 and at least as accessible as care for other health conditions;

6 (ii) the quantity, location, and specialty distribution of health care
7 providers is adequate;

8 (iii) administrative or clinical protocols do not serve to reduce
9 access to medically necessary mental health treatment for any insured or create
10 burdens on health care providers or members that differ from or are greater
11 than administrative or clinical requirements required for other health
12 conditions;

13 (iv) utilization review and other administrative and clinical
14 protocols do not deter timely and appropriate mental health care, including
15 emergency hospital admissions, or create burdens on health care providers or
16 members that differ from or are greater than administrative or clinical
17 requirements required for other health conditions;

18 (v) in the case of a managed care organization which contracts
19 with a health insurer to administer the insurer's ~~mental health~~ benefits, the
20 portion of a health insurer's premium rate attributable to the coverage of
21 mental health benefits is reviewed under section 4062, 4513, 4584, or 5104 of

1 this title to determine whether it is excessive, inadequate, unfairly
2 discriminatory, unjust, unfair, inequitable, misleading, or contrary to the laws
3 of this State;

4 (vi) the health insurance plan is consistent with the Blueprint for
5 Health with respect to mental health conditions, as determined by the
6 Commissioner under 18 V.S.A. § 9414(b)(2);

7 (vii) a quality improvement project is completed annually as a
8 joint project between the health insurance plan and its ~~mental health~~ managed
9 care organization to implement policies and incentives to increase
10 collaboration among providers that will facilitate clinical integration of
11 services for medical and mental health conditions, including:

12 * * *

13 (2) A managed care organization providing or administering coverage
14 for treatment of ~~mental health~~ conditions on behalf of a health insurance plan
15 shall comply with this section, sections 4089a and 4724 of this title, and
16 18 V.S.A. § 9414, with rules adopted pursuant to those provisions of law, and
17 with all other obligations, under Title 18 and under this title, of the health
18 insurance plan and the health insurer on behalf of which the review agent is
19 providing or administering coverage. A violation of any provision of this
20 section shall constitute an unfair act or practice in the business of insurance in
21 violation of section 4723 of this title.

1 Reconciliation Act of 2010, Public Law 111-152, applicable to the underlying
2 health insurance plan with which the managed care organization has contracted
3 to provide or administer such services. The health insurance plan shall also
4 bear responsibility for ensuring the managed care organization's compliance
5 with the minimum loss ratio requirement pursuant to this subdivision.

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7 Sec. 2. EFFECTIVE DATE

8 This act shall take effect on July 1, 2014.