

ENROLLED HOUSE
BILL NO. 1077

By: Seikel of the House

and

Monson of the Senate

An Act relating to health insurance; requiring group health insurance and health benefit plans to offer coverage for severe mental illness equal to benefits for other physical diseases and disorders; providing for certain preexisting condition limitations; providing for limitation in coverage of inpatient hospital services in certain circumstances; making certain exceptions; clarifying application of requirement to agreement, contract, or policy provisions; defining term; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6060.10 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. 1. Any group health insurance or health benefit plan agreement, contract, or policy, including the Oklahoma State and Education Employees Group Insurance Board and any indemnity plan, hospital or medical service or indemnity contract, prepaid or managed care plan or provider arrangement, and Multiple Employer Welfare Arrangement (MEWA) or employer self-insured plan, except as exempt under federal ERISA provisions, that is offered, issued, or renewed on or after the effective date of this act shall offer coverage for treatment of adults, children and adolescents with severe mental illness.

2. Except as otherwise provided in this section, the benefits offered under this section shall be equal to benefits for treatment of and shall be subject to the same preauthorization and utilization review mechanisms and other terms and conditions as all other physical diseases and disorders.

3. Any plan, contract or policy subject to the requirements of this section, may impose a preexisting condition limitation period for the treatment of severe mental illness if:

- a. the plan, contract or policy imposes a preexisting condition limitation period for other physical diseases and disorders, and
- b. the benefits for the treatment of severe mental illness are added as a new benefit after the effective date of this act.

4. The coverage of inpatient hospital services for severe mental illness may be less than twenty-five (25) days annually, as required in subsection B of this section, if:

- a. the annual coverage for inpatient hospital services provided under the plan, contract or policy for the

treatment of other physical diseases and disorders is less than twenty-five (25) days, or

- b. the annual coverage for inpatient hospital services provided under the plan, contract or policy for the treatment of other physical diseases and disorders includes coverage for the treatment of severe mental illness.

5. The requirement of this section shall not apply to agreements, contracts, or policies that provide coverage for a specified disease or other limited benefit.

B. 1. The nondiscrimination requirement set forth in subsection A of this section shall pertain to all aspects of any health insurance or health benefit plan agreement, contract or policy that is offered, issued, or renewed in this state including, but not limited to:

- a. except as otherwise provided in this section, coverage of inpatient hospital services for at least twenty-five (25) days annually,
- b. coverage of outpatient services,
- c. coverage of medication,
- d. maximum lifetime benefits,
- e. copayments,
- f. coverage of home health services,
- g. individual and family deductibles, and
- h. coinsurance.

2. For purposes of this section, "severe mental illness" means:

- a. schizophrenia,
- b. bipolar disorder (manic-depressive illness),
- c. major depression,
- d. panic disorder,
- e. obsessive-compulsive disorder, and
- f. schizoaffective disorder.

SECTION 2. This act shall become effective November 1, 1997.

Passed the House of Representatives the 26th day of May, 1997.

Speaker

of the House of
Representatives

Passed the Senate the 27th day of May, 1997.

President

of the Senate