HOUSE OF REPRESENTATIVES
Monday, February 22, 1999

Committee Substitute for
House Bill No. 1285

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1285 -- By BENSON, ADAIR, SEIKEL, COLLINS and EASLEY of the House and TAYLOR of the Senate.

An Act relating to insurance; creating the Dr. James M. Behrman Mental Health Parity Act; requiring group health insurance and health benefit plans to include coverage for severe mental illness; allowing managed care system to provide benefits; requiring equality of benefits; making certain exceptions; providing for procedures; clarifying application of requirement to agreement, contract or policy provisions; defining term; limiting application of the provisions of the act; providing for noncodification; 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 not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Dr. James M. Behrman Mental Health Parity Act".

SECTION 2. 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 State and Education Employees Group Insurance Board and any indemnity plan, not-for-profit 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 provide benefits for treatment of adults, adolescents, and children with severe mental illness. Such benefits may be provided through a managed care system.

2. Such benefits shall be equal to benefits for treatment of all other physical diseases and disorders 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. The requirements of this section shall not apply to agreements, contracts or policies that provide coverage for a specified disease or other limited benefit coverage or groups with fifty or fewer employees.

B. 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. coverage of inpatient hospital services for at least twenty-six (26) days,

b. coverage of outpatient services,

c. coverage of medication,

d. maximum lifetime benefits,

e. copayments,

f. coverage of home health visits,

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 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6060.11 of Title 36, unless there is created a duplication in numbering, reads as follows:

The provisions of Section 1 of this act shall not apply to any agreement, contract, or policy if implementation of the provisions would cause the premium costs for the agreement, contract or policy to increase more than three percent (3%).

SECTION 4. This act shall become effective November 1, 1999.

COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 2-18-99 -- DO PASS, As Coauthored.