

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 3131

By: Enns

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5
6 AS INTRODUCED

7 An Act relating to insurance; amending 36 O.S. 2001,
8 Sections 6060.10, 6060.11 and 6060.12, which relate
9 to insurance plans providing insurance coverage for
10 mental health services and treatment of mental
11 illness; modifying definitions; requiring group
12 health insurance and health benefit plans to provide
13 benefits for mental health services and treatment of
14 mental illness; modifying certain exceptions to
15 providing insurance coverage for mental health
16 services and treatment of mental illness; repealing
17 36 O.S. 2001, Section 6060.13, which relates to
18 impact on premium costs and submission of a report on
19 the impact on premium costs; and providing an
20 effective date.

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

22 SECTION 1. AMENDATORY 36 O.S. 2001, Section 6060.10, is
23 amended to read as follows:

24 Section 6060.10 As used in this act:

1. "Base period" means the period of coverage pursuant to the
issuance or renewal of a health benefit plan that is required to
provide benefits pursuant to the provisions of Section ~~2~~ 6060.11 of
this act title;

2. a. "Health benefit plan" means:

- 1 (1) group hospital or medical insurance coverages,
- 2 (2) not-for-profit hospital or medical service or
- 3 indemnity plans,
- 4 (3) prepaid health plans,
- 5 (4) health maintenance organizations,
- 6 (5) preferred provider plans,
- 7 (6) the State and Education Employees Group Insurance
- 8 Plan,
- 9 (7) Multiple Employer Welfare Arrangements (MEWA), or
- 10 (8) employer self-insured plans that are not exempt
- 11 pursuant to the federal Employee Retirement
- 12 Income Security Act (ERISA) provisions.

13 b. The term "health benefit plan" shall not include
14 ~~individual plans~~; plans that only provide coverage for
15 a specified disease, accidental death, or
16 dismemberment for wages or payments in lieu of wages
17 for a period during which an employee is absent from
18 work because of sickness or injury or as a supplement
19 to liability insurance; Medicare supplemental policies
20 as defined in Section 1882(g)(1) of the federal Social
21 Security Act (42 U.S.C., Section 1395ss); workers'
22 compensation insurance coverages; medical payment
23 insurance issued as a part of a motor vehicle
24 insurance policy; or long term care policies including

1 nursing home fixed indemnity policies, unless the
2 Insurance Commissioner determines that the policy
3 provides comprehensive benefit coverage sufficient to
4 meet the definition of a health benefit plan;

5 3. ~~"Severe mental illness" means any of the following~~
6 ~~biologically based mental illnesses for which the diagnostic~~
7 ~~criteria are prescribed in the most recent edition of the Diagnostic~~
8 ~~and Statistical Manual of Mental Disorders:~~

- 9 a. ~~schizophrenia,~~
- 10 b. ~~bipolar disorder (manic depressive illness),~~
- 11 c. ~~major depressive disorder,~~
- 12 d. ~~panic disorder,~~
- 13 e. ~~obsessive compulsive disorder, and~~
- 14 f. ~~schizoaffective disorder~~

15 "Mental illness" means a mental illness as defined in Section 1-
16 103 of Title 43A of the Oklahoma Statutes; and

17 4. "Small employer" means any person, firm, corporation,
18 partnership, limited liability company, association, or other legal
19 entity that is actively engaged in business that, on at least fifty
20 percent (50%) of its working days during the preceding calendar
21 year, employed no more than fifty (50) employees who work on a full-
22 time basis, which means an employee has a normal work week of
23 twenty-four (24) or more hours.

1 SECTION 2. AMENDATORY 36 O.S. 2001, Section 6060.11, is
2 amended to read as follows:

3 Section 6060.11 A. Subject to the limitations set forth in
4 this section and ~~Sections 3 and 4~~ Section 6060.12 of this ~~act~~ title,
5 any health benefit plan that is offered, issued, or renewed in this
6 state on or after ~~the effective date of this act~~ November 1, 2008,
7 shall provide benefits for mental health services and treatment of
8 ~~severe~~ any mental illness.

9 B. The provisions of subsection A of this section shall pertain
10 to all aspects of any health benefit plan that is offered, issued,
11 or renewed in this state. Benefits required by subsection A of this
12 section shall be equal to benefits for treatment of and shall be
13 subject to the same preauthorization and utilization review
14 mechanisms and other terms and conditions as all other physical
15 diseases and disorders, including, but not limited to:

- 16 1. Coverage of inpatient hospital services for either twenty-
17 six (26) days or the limit for other covered illnesses, whichever is
18 greater;
- 19 2. Coverage of outpatient services;
- 20 3. Coverage of medication;
- 21 4. Maximum lifetime benefits;
- 22 5. Co-payments;
- 23 6. Coverage of home health visits;
- 24 7. Individual and family deductibles; and

1 8. Coinsurance.

2 C. The provisions of subsection A of this section shall not
3 apply to coverage provided by a health benefit plan for a small
4 employer.

5 SECTION 3. AMENDATORY 36 O.S. 2001, Section 6060.12, is
6 amended to read as follows:

7 Section 6060.12 A. 1. A health benefit plan that, at the end
8 of its base period, experiences a greater than two percent (2%)
9 increase in premium costs pursuant to providing benefits for mental
10 health services and treatment of ~~severe~~ any mental illness shall be
11 exempt from the provisions of Section ~~2~~ 6060.11 of this ~~act~~ title.

12 2. To calculate base-period-premium costs, the health benefit
13 plan shall subtract from premium costs incurred during the base
14 period, both the premium costs incurred during the period
15 immediately preceding the base period and any premium cost increases
16 attributable to factors unrelated to benefits for treatment of
17 severe mental illness.

18 3. a. To claim the exemption provided for in
19 subsection A of this section a health benefit
20 plan shall provide to the Insurance Commissioner
21 a written request signed by an actuary stating
22 the reasons and actuarial assumptions upon which
23 the request is based.

1 b. The Commissioner shall verify the information provided
2 and shall approve or disapprove the request within
3 thirty (30) days of receipt.

4 c. If, upon investigation, the Commissioner finds that
5 any statement of fact in the request is found to be
6 knowingly false, the health benefit plan may be
7 subject to suspension or loss of license or any other
8 penalty as determined by the Commissioner, or the
9 State Commissioner of Health with regard to health
10 maintenance organizations.

11 SECTION 4. REPEALER 36 O.S. 2001, Section 6060.13, is
12 hereby repealed.

13 SECTION 5. This act shall become effective November 1, 2008.

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