

REPORT OF CONFERENCE COMMITTEE

MR. SPEAKER AND MADAM PRESIDENT:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

H. B. No. 667: Health insurance policies; require to provide certain benefits for treatment of mental illness.

We, therefore, respectfully submit the following report and recommendation:

1. That the Senate recede from its Amendment No. 1.
2. That the House and Senate adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

11 SECTION 1. Section 83-9-39, Mississippi Code of 1972, is
12 amended as follows:

13 83-9-39. (1) (a) Except as otherwise provided herein, all
14 alternative delivery systems and all * * * group health insurance
15 policies, plans or programs regulated by the State of Mississippi
16 shall provide covered benefits for the treatment of mental
17 illness, except for policies which only provide coverage for
18 specified diseases and other limited benefit health insurance
19 policies and negotiated labor contracts. This coverage for
20 treatment of mental illness shall not be required if the
21 application of this provision results in an increase in the cost
22 under the plan or coverage of one percent (1%) or more as
23 determined in Section 83-9-40.

24 (b) Health insurance policies, plans or programs of any
25 employer of one hundred (100) or fewer eligible employees and all
26 individual health insurance policies which are regulated by the

27 State of Mississippi which do not currently offer benefits for
28 treatment of mental illness shall offer covered benefits for the
29 treatment of mental illness, except for policies which only
30 provide coverage for specified diseases and other limited benefit
31 health insurance policies and negotiated labor contracts. This
32 coverage shall be offered on an optional basis, but the owner of
33 the policy, plan or program must reject such coverage in writing.

34 (2) Covered benefits for inpatient treatment of mental
35 illness in insurance policies and other contracts subject to
36 Sections 83-9-37 through 83-9-43 shall be limited to inpatient
37 services certified as necessary by a health service provider.

38 (3) Covered benefits for outpatient treatment of mental
39 illness in insurance policies and other contracts subject to
40 Sections 83-9-37 through 83-9-43 shall be limited to outpatient
41 services certified as necessary by a health service provider.

42 (4) Before an insured party may qualify to receive benefits
43 under Sections 83-9-37 through 83-9-43, a health service provider
44 shall certify that the individual is suffering from mental illness
45 and refer the individual for the appropriate treatment.

46 (5) All mental illness, treatment or services with respect
47 to such treatment eligible for health insurance coverage shall be
48 subject to professional utilization and peer review procedures.

49 (6) The provisions of this section shall apply only to
50 alternative delivery systems and individual and group health
51 insurance policies, plans or programs issued or renewed after July
52 1, 1991.

53 (7) The exclusion period for coverage of a preexisting
54 mental condition shall be the same period of time as that for
55 other medical illnesses covered under the same plan, program or
56 contract.

57 SECTION 2. Section 83-9-41, Mississippi Code of 1972, is

58 amended as follows:

59 83-9-41. (1) Covered benefits for services in this section
60 shall be limited to coverage of treatment of clinically
61 significant mental illness.

62 (2) Treatment under this section shall be covered for a
63 minimum of thirty (30) days per year for inpatient services, a
64 minimum of sixty (60) days per year for partial hospitalization,
65 and a minimum of fifty-two (52) outpatient visits per year.

66 (3) The rate of payment for inpatient services and partial
67 hospitalization shall be the same as provided for any other
68 condition. The rate of payment for outpatient visits shall be a
69 minimum of fifty percent (50%) of covered expenses which may be
70 limited to a maximum payment of Fifty Dollars (\$50.00) per visit.

71 * * *

72 SECTION 3. The following section shall be codified as
73 Section 83-9-40:

74 83-9-40. In order to determine if the treatment of mental
75 illness benefit coverage required in Sections 83-9-39 and 83-9-41
76 results in an increase in the cost under a group health insurance
77 plan of one percent (1%) or more, the total cost incurred by the
78 plan, including both mental health costs and medical/surgical
79 costs, must be divided by such total cost reduced by the costs
80 solely required to comply with Sections 83-9-39 and 83-9-41. Such
81 costs include mental health claims that would have been denied
82 absent plan amendments required to comply with Sections 83-9-39
83 and 83-9-41, the administrative costs related to those claims and
84 other administrative costs attributable to complying with Sections
85 83-9-39 and 83-9-41. Premium payments are not considered in this
86 calculation. The ratio is mathematically expressed by the
87 following formula:

88 IE _ m 1.01000

89 IE - (CE + AE)

90 For purposes of this section:

91 "IE" means the incurred expenditures during the base period.

92 "CE" means the claims incurred during the base period that would
93 have been denied under the terms of the plan absent plan
94 amendments required to comply with Sections 83-9-39 and 83-9-41.

95 "AE" means administrative costs related to claims in CE and
96 other administrative costs attributable to complying with Sections
97 83-9-39 and 83-9-41.

98 "Base period" means the period that begins on the first day
99 in any plan year that the plan complies with the requirements of
100 Section 83-9-39 and 83-9-41 and shall extend for a period of at
101 least six (6) consecutive calendar months. The base period shall
102 not begin before January 1, 2002.

103 A group insurance plan may exercise the exemption as soon as
104 the plan documents a cost increase of one percent (1%) or more and
105 provides a thirty-day notice to participants and to the Department
106 of Insurance for informational purposes.

107 SECTION 4. This act shall take effect and be in force from
108 and after January 1, 2002.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 83-9-39, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE THAT CERTAIN HEALTH INSURANCE POLICIES PROVIDE COVERED
3 BENEFITS FOR THE TREATMENT OF MENTAL ILLNESS; TO PROVIDE
4 EXEMPTIONS; TO AMEND SECTION 83-9-41, MISSISSIPPI CODE OF 1972, TO
5 INCREASE THE MINIMUM OUTPATIENT VISITS ALLOWED EACH YEAR FOR
6 TREATMENT OF MENTAL ILLNESS AND TO REMOVE THE LIFETIME LIMITS; TO
7 CREATE NEW CODE SECTION 83-9-40, MISSISSIPPI CODE OF 1972, TO
8 PROVIDE THE REQUIREMENTS FOR DETERMINING ELIGIBILITY FOR CERTAIN
9 EXEMPTIONS; AND FOR RELATED PURPOSES.

CONFEREES FOR THE HOUSE

X _____
Mary Ann Stevens

X _____
Keith Montgomery

X _____
Percy W. Watson

CONFEREES FOR THE SENATE

X _____
Robert G. Huggins

X _____
Billy Thames

X _____
Ezell Lee