

By: Kirby

To: Finance

## SENATE BILL NO. 3138

1 AN ACT TO REQUIRE CERTAIN HEALTH INSURANCE POLICIES TO OFFER  
2 AN OPTIONAL PROVISION PROVIDING COVERAGE OF SEVERE MENTAL ILLNESS;  
3 TO DEFINE THE TERM "SEVERE MENTAL ILLNESS"; TO PROVIDE FOR  
4 APPLICABILITY OF THE ACT; TO PROVIDE THAT A POLICY SHALL BE IN  
5 COMPLIANCE WITH THE ACT IF IT INCLUDES CERTAIN BENEFITS; AND FOR  
6 RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 SECTION 1. (1) Every person authorized to issue a hospital  
9 or medical expense policy, hospital or medical service contract,  
10 employee welfare benefit plan, health and accident insurance  
11 policy, or any other insurance contract of this type in this  
12 state, including a group insurance plan, self-insurance plan, and  
13 the Mississippi State and School Employees Health Insurance Plan,  
14 delivered or issued for delivery in this state on or after January  
15 1, 2001, shall offer to the policy holder in all group, blanket,  
16 and franchise policies an optional provision in the policy,  
17 contract, benefit plan, agreement, or program which states that  
18 benefits shall be payable for services rendered for the treatment  
19 of severe mental or nervous disorders, or both, illness under the  
20 same circumstances and conditions or greater as benefits are paid  
21 under those policies, contracts, benefits plans, agreements, or  
22 programs for all other diagnoses, illnesses, or accidents. For  
23 purposes of this section, "severe mental illness" shall include  
24 any of the following diagnosed severe mental illnesses:

- 25 (a) Schizophrenia or schizoaffective disorder;  
26 (b) Bipolar disorder;  
27 (c) Pervasive developmental disorder or autism;  
28 (d) Panic disorder;

29 (e) Obsessive-compulsive disorder;  
30 (f) Major depressive disorder;  
31 (g) Anorexia/bulimia;  
32 (h) Generalized anxiety disorder;  
33 (i) Posttraumatic stress disorder;  
34 (j) Psychosis NOS;  
35 (k) Mental disorders due to a general medical  
36 condition;  
37 (l) Tourette's Disorder.  
38 (2) (a) Any issuer of a group, blanket, or franchise  
39 policy, contract, benefit plan, agreement, or program specified in  
40 subsection (1) shall also offer to the policyholder an optional  
41 provision in the policy, contract benefit plan, agreement, or  
42 program which states that benefits shall be payable for the  
43 treatment of mental disorders other than severe mental illness as  
44 defined in subsection (1) under the same circumstances and  
45 conditions as benefits are paid under those policies, contracts,  
46 benefit plans, agreements, or programs for all other diagnoses,  
47 illnesses, or accidents.  
48 (b) If the policyholder elects not to purchase this  
49 optional coverage, the issuer shall notify the policyholder in any  
50 renewal, reinstatement, or modified policy, contract, benefit  
51 plan, agreement, or program as to the availability of the optional  
52 coverage.  
53 (3) (a) The provisions of this section shall apply only to  
54 group, blanket, and franchise policies.  
55 (b) The provisions of this section shall not apply to  
56 individually underwritten health insurance plans; short-term,  
57 limited-duration health insurance policies; and individually under  
58 written limited benefit and supplemental health insurance  
59 policies.  
60 (4) A policy, contract, benefit plan, agreement, or program  
61 shall be in compliance with the requirements of subsection (1) if

62 it includes the following benefits:

63 (a) Forty-five (45) inpatient days per covered  
64 individual per calendar year. However, a policy, contract,  
65 benefit plan, agreement, or program may provide a method to allow  
66 a covered individual to exchange two (2) days of partial  
67 hospitalization or two (2) days of residential treatment center  
68 hospitalization for each inpatient day of treatment.

69 (b) Fifty-two (52) outpatient visits per covered  
70 individual per calendar year, including the intensive outpatient  
71 program. However, a policy, contract, benefit plan, agreement, or  
72 program may provide a method to allow a covered individual to  
73 exchange one(1) inpatient day of treatment for four (4) outpatient  
74 visits or exchange four (4) outpatient visits for one (1)  
75 inpatient day of treatment.

76 (5) No policy, contract, benefit plan, agreement, or program  
77 issued or entered into pursuant to this section shall contain any  
78 provision for a waiting period in excess of sixty (60) days from  
79 the effective date of the policy before the benefits are payable  
80 for the treatment of severe mental illness or other mental  
81 disorders.

82 Nothing in this section shall be construed to prohibit  
83 management of the provision of benefits for mental disorders  
84 through such method as preadmission screening prior to the  
85 authorization of services or any other mechanism designed to limit  
86 coverage for services for mental disorders only to those deemed  
87 medically necessary by a licensed mental health professional.

88 SECTION 2. This act shall take effect and be in force from  
89 and after July 1, 2001.