
SENATE BILL 6566

State of Washington

55th Legislature

1998 Regular Session

By Senators Thibaudeau, Kline, Fairley, Long, Wojahn and Kohl

Read first time 01/21/98. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to mental health parity; adding a new section to
2 chapter 41.05 RCW; adding a new section to chapter 48.20 RCW; adding a
3 new section to chapter 48.21 RCW; adding a new section to chapter 48.44
4 RCW; adding a new section to chapter 48.46 RCW; adding a new section to
5 chapter 48.41 RCW; adding a new section to chapter 74.09 RCW; and
6 creating a new section.

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

8 NEW SECTION. **Sec. 1.** The legislature intends to end
9 discrimination in Washington state in the offering of insurance
10 coverage for mental disorders by requiring that health insurers provide
11 coverage for mental health services at parity with medical and surgical
12 services.

13 The legislature finds that mental disorders occur at an alarming
14 rate. National data suggests that in any given year one in ten
15 Americans experience some disability from a mental health disorder, and
16 one in five adult Americans will have a mental disorder during his or
17 her lifetime that requires treatment. The legislature also finds that
18 the impact on the business sector is significant when national data

1 suggests that at least sixty percent of employee absences are due to
2 mental health disorders.

3 Therefore, the legislature declares that it is no longer cost-
4 efficient to continue to treat persons with mental disorders
5 differently than persons with medical and surgical disorders. The cost
6 of our children, families, businesses, and society as a whole is too
7 high. Mental health disorders are treatable. Providing insurance
8 parity for coverage of these crucial services will save health care
9 dollars.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.05 RCW
11 to read as follows:

12 (1) For the purpose of this section, "mental health services" means
13 services provided to treat any of the diagnostic categories listed by
14 the diagnostic and statistical manual of mental disorders IV or any
15 subsequent revision.

16 (2) All state-purchased health care purchased or renewed after
17 January 1, 1999, except the basic health plan described in chapter
18 70.47 RCW:

19 (a) Shall not impose treatment limitations or financial
20 requirements on coverage for mental health services, if similar
21 requirements are not imposed on coverage for medical and surgical
22 services. Wellness and preventive services are excluded from this
23 comparison. By way of illustration and not limitation, this applies to
24 co-pays, cost sharing, dollar limits, outpatient visit limits,
25 outpatient day limits, and inpatient limits;

26 (b) Shall require one single annual deductible, and one single
27 annual maximum out-of-pocket limit for medical and surgical and mental
28 health services; and

29 (c) Shall require coverage for all mental disorders included in the
30 diagnostic and statistical manual of mental disorders IV or subsequent
31 revisions.

32 (3) This section does not mandate coverage of mental health
33 services.

34 (4) This section does not prohibit the use of preauthorization
35 screening prior to authorization of mental health services, or the
36 requirement that mental health services must be medically necessary.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.20 RCW
2 to read as follows:

3 (1) For the purpose of this section, "mental health services" means
4 services provided to treat any of the diagnostic categories listed by
5 the diagnostic and statistical manual of mental disorders IV or any
6 subsequent revision.

7 (2) All disability insurance contracts providing health care
8 services issued or renewed after January 1, 1999:

9 (a) Shall not impose treatment limitations or financial
10 requirements on coverage for mental health services, if similar
11 requirements are not imposed on coverage for medical and surgical
12 services. Wellness and preventive services are excluded from this
13 comparison. By way of illustration and not limitation, this applies to
14 co-pays, cost sharing, dollar limits, outpatient visit limits,
15 outpatient day limits, and inpatient limits;

16 (b) Shall require one single annual deductible, and one single
17 annual maximum out-of-pocket limit for medical and surgical and mental
18 health services; and

19 (c) Shall require coverage for all mental disorders included in the
20 diagnostic and statistical manual of mental disorders IV or subsequent
21 revisions.

22 (3) This section does not mandate coverage of mental health
23 services.

24 (4) This section does not prohibit the use of preauthorization
25 screening prior to authorization of mental health services, or the
26 requirement that mental health services must be medically necessary.

27 NEW SECTION. **Sec. 4.** A new section is added to chapter 48.21 RCW
28 to read as follows:

29 (1) For the purpose of this section, "mental health services" means
30 services provided to treat any of the diagnostic categories listed by
31 the diagnostic and statistical manual of mental disorders IV or any
32 subsequent revision.

33 (2) All group disability insurance contracts and blanket disability
34 insurance contracts providing health care services to groups with
35 fifteen or more persons, issued or renewed after January 1, 1999:

36 (a) Shall not impose treatment limitations or financial
37 requirements on coverage for mental health services, if similar
38 requirements are not imposed on coverage for medial and surgical

1 services. Wellness and preventive services are excluded from this
2 comparison. By way of illustration and not limitation, this applies to
3 co-pays, cost sharing, dollar limits, outpatient visit limits,
4 outpatient day limits, and inpatient limits;

5 (b) Shall require one single annual deductible, and one single
6 annual maximum out-of-pocket limit for medical and surgical and mental
7 health services; and

8 (c) Shall require coverage for all mental disorders included in the
9 diagnostic and statistical manual of mental disorders IV or subsequent
10 revisions.

11 (3) This section does not mandate coverage of mental health
12 services.

13 (4) This section does not prohibit the use of preauthorization
14 screening prior to authorization of mental health services, or the
15 requirement that mental health services must be medically necessary.

16 NEW SECTION. **Sec. 5.** A new section is added to chapter 48.44 RCW
17 to read as follows:

18 (1) For the purpose of this section, "mental health services" means
19 services provided to treat any of the diagnostic categories listed by
20 the diagnostic and statistical manual of mental disorders IV or any
21 subsequent revision.

22 (2) All health benefit plans offered by health care service
23 contractors to groups with fifteen or more persons, issued or renewed
24 after January 1, 1999:

25 (a) Shall not impose treatment limitations or financial
26 requirements on coverage for mental health services, if similar
27 requirements are not imposed on coverage for medical and surgical
28 services. Wellness and preventive services are excluded from this
29 comparison. By way of illustration and not limitation, this applies to
30 co-pays, cost sharing, dollar limits, outpatient visit limits,
31 outpatient day limits, and inpatient limits;

32 (b) Shall require one single annual deductible, and one single
33 annual maximum out-of-pocket limit for medical and surgical and mental
34 health services; and

35 (c) Shall require coverage for all mental disorders as included in
36 the diagnostic and statistical manual of mental disorders IV or
37 subsequent revisions.

1 (3) This section does not mandate coverage of mental health
2 services.

3 (4) This section does not prohibit the use of preauthorization
4 screening prior to authorization of mental health services, or the
5 requirement that mental health services must be medically necessary.

6 NEW SECTION. **Sec. 6.** A new section is added to chapter 48.46 RCW
7 to read as follows:

8 (1) For the purpose of this section, "mental health services" means
9 services provided to treat any of the diagnostic categories listed by
10 the diagnostic and statistical manual of mental disorders IV or any
11 subsequent revision.

12 (2) All health benefit plans offered by health maintenance
13 organizations to groups with fifteen or more persons, issued or renewed
14 after January 1, 1999:

15 (a) Shall not impose treatment limitations or financial
16 requirements on coverage for mental health services, if similar
17 requirements are not imposed on coverage for medical and surgical
18 services. Wellness and preventive services are excluded from this
19 comparison. By way of illustration and not limitation, this applies to
20 co-pays, cost sharing, dollar limits, outpatient visit limits,
21 outpatient day limits, and inpatient limits;

22 (b) Shall require one single annual deductible, and one single
23 annual maximum out-of-pocket limit for medical and surgical and mental
24 health services; and

25 (c) Shall require coverage for all mental disorders included in the
26 diagnostic and statistical manual of mental disorders IV or subsequent
27 revisions.

28 (3) This section does not mandate coverage of mental health
29 services.

30 (4) This section does not prohibit the use of preauthorization
31 screening prior to authorization of mental health services, or the
32 requirement that mental health services must be medically necessary.

33 NEW SECTION. **Sec. 7.** A new section is added to chapter 48.41 RCW
34 to read as follows:

35 (1) For the purpose of this section, "mental health services" means
36 services provided to treat any of the diagnostic categories listed by

1 the diagnostic and statistical manual of mental disorders IV or any
2 subsequent revision.

3 (2) After January 1, 1999, the pool:

4 (a) Shall not impose treatment limitations or financial
5 requirements on coverage for mental health services, if similar
6 requirements are not imposed on coverage for medical and surgical
7 services. Wellness and preventive services are excluded from this
8 comparison. By way of illustration and not limitation, this applies to
9 co-pays, cost sharing, dollar limits, outpatient visit limits,
10 outpatient day limits, and inpatient limits;

11 (b) Shall require one single annual deductible, and one single
12 annual maximum out-of-pocket limit for medical and surgical and mental
13 health services; and

14 (c) Shall require coverage for all mental disorders included in the
15 diagnostic and statistical manual of mental disorders IV or subsequent
16 revisions.

17 (3) This section does not mandate coverage of mental health
18 services.

19 (4) This section does not prohibit the use of preauthorization
20 screening prior to authorization of mental health services, or the
21 requirement that mental health services must be medically necessary.

22 NEW SECTION. **Sec. 8.** A new section is added to chapter 74.09 RCW
23 to read as follows:

24 (1) For the purpose of this section, "mental health services" means
25 services provided to treat any of the diagnostic categories listed by
26 the diagnostic and statistical manual of mental disorders IV or any
27 subsequent revision.

28 (2) After January 1, 1999, health coverage offered through medical
29 assistance or the children's health program:

30 (a) Shall not impose treatment limitations or financial
31 requirements on coverage for mental health services, if similar
32 requirements are not imposed on coverage for medical and surgical
33 services. Wellness and preventive services are excluded from this
34 comparison. By way of illustration and not limitation, this applies to
35 co-pays, cost sharing, dollar limits, outpatient visit limits,
36 outpatient day limits, and inpatient limits;

1 (b) Shall require one single annual deductible, and one single
2 annual maximum out-of-pocket limit for medical and surgical and mental
3 health services; and

4 (c) Shall require coverage for all mental disorders included in the
5 diagnostic and statistical manual of mental disorders IV or subsequent
6 revisions.

7 (3) This section does not mandate coverage of mental health
8 services.

9 (4) This section does not prohibit the use of preauthorization
10 screening prior authorization of mental health services, or the
11 requirement that mental health services must be medically necessary.

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