Washington State House of Representatives
Office of Program Research

BILL ANALYSIS

Health Care Committee

SSB 5211

Brief Description: *Requiring comparable mental health benefits.*

Sponsors: *By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Long, Spanel, Winsley, B. Sheldon, Swecker, Fraser, Kohl-Welles, Kline, Carlson, Eide, Rasmussen, Fairley, McCaslin, Franklin, Haugen, Oke, Costa, McAuliffe, Prentice, Jacobsen, Constantine and Regala).*

Brief Summary of Substitute Bill

- *Provides additional mental health coverage for children through public and private health insurance plans.*

Hearing Date: *3/27/01*

Staff: *Dave Knutson (786-7146).*

Background:

Currently, no state law requires health insurers to provide mental health coverage, or imposes specific mandates on the level of coverage, if offered. The law does require, however, that health carriers providing group coverage to employers with more than 25 employees offer optional supplemental coverage for mental health treatment, which can be waived at the request of the employer.

The administrator of the Basic Health Plan is authorized to offer mental health services under BHP as long as those services, along with chemical dependency and organ transplant services, do not increase the actuarial value of BHP benefits by more than 5 percent. Currently, inpatient care is covered in full up to ten days per calender year, and outpatient care is covered in full up to 12 visits per year.

For current Public Employee Benefits Board plans, inpatient mental health care is paid at 80 percent for up to ten days per year, and outpatient services are paid at 50 percent for up to 20 visits per year.

Summary of Bill:

A health insurance plan that provides coverage for medical and surgical services must provide, for any covered dependant other than a spouse or domestic partner: (1) mental health services for a minimum of 15 inpatient days and 30 outpatient therapy visits per plan year; and (2) prescription drugs to treat mental disorders. The copay or coinsurance for inpatient days or outpatient visits may be no more than the copay or coinsurance for an inpatient day or outpatient visit for medical and surgical services otherwise provided under the plan. If the plan imposes a deductible, it must be a single deductible for medical, surgical, and mental health services. Prescription drugs must be covered to the same extent, and under the same term and conditions, as other prescription drugs covered by the plan.

"Mental health services" is defined to include services to treat any disorders listed in the current version of the diagnostic and statistical manual of mental disorders, except V codes and codes defining substance abuse disorders.

The act applies to the Uniform Medical Plan, and to private plans for groups of 25 or more.

Current laws mandating the offering of supplemental mental health coverage by insurers are amended to reflect the new requirements of the act.

The Insurance Commissioner is explicitly authorized to adopt rules implementing the act.

Any increase in the cost of plans offered by the Public Employee Benefits Board due to implementation of the act will not be paid by the state. Rather, they are to be absorbed through other changes in the benefit design or enrollee cost-sharing, as determined by the board.

Any increase in the cost of plans offered by a private employer due to implementation of the act need not be paid for by the employer, but may be absorbed through other changes in the plan's benefit design or enrollee cost-sharing.

Appropriation: *None.*

Fiscal Note: *Available.*

Effective Date: *The bill takes effect on January 1, 2002.*