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HOUSE BILL 2501

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State of Washington

59th Legislature

2006 Regular Session

By Representatives Schual-Berke, Cody and Morrell; by request of Insurance Commissioner

Prefiled 1/6/2006. Read first time 01/09/2006. Referred to Committee on Health Care.

1 AN ACT Relating to clarifying that coverage for mental health  
2 services as defined in RCW 48.21.241, 48.44.341, and 48.46.291 applies  
3 to all group health plans for groups other than small groups as defined  
4 in RCW 48.43.005; amending RCW 48.21.241, 48.44.341, and 48.46.291; and  
5 declaring an emergency.

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

7 **Sec. 1.** RCW 48.21.241 and 2005 c 6 s 3 are each amended to read as  
8 follows:

9 (1) For the purposes of this section, "mental health services"  
10 means medically necessary outpatient and inpatient services provided to  
11 treat mental disorders covered by the diagnostic categories listed in  
12 the most current version of the diagnostic and statistical manual of  
13 mental disorders, published by the American psychiatric association, on  
14 July 24, 2005, or such subsequent date as may be provided by the  
15 insurance commissioner by rule, consistent with the purposes of chapter  
16 6, Laws of 2005, with the exception of the following categories, codes,  
17 and services: (a) Substance related disorders; (b) life transition  
18 problems, currently referred to as "V" codes, and diagnostic codes 302  
19 through 302.9 as found in the diagnostic and statistical manual of

1 mental disorders, 4th edition, published by the American psychiatric  
2 association; (c) skilled nursing facility services, home health care,  
3 residential treatment, and custodial care; and (d) court ordered  
4 treatment unless the insurer's medical director or designee determines  
5 the treatment to be medically necessary.

6 (2) All group disability insurance contracts and blanket disability  
7 insurance contracts providing health benefit plans that provide  
8 coverage for medical and surgical services shall provide:

9 (a) For all group health benefit plans (~~established or renewed on~~  
10 ~~or after~~) for groups other than small groups, as defined in RCW  
11 48.43.005 delivered, issued for delivery, or renewed on or after  
12 January 1, 2006, (~~for groups of more than fifty employees~~) coverage  
13 for:

14 (i) Mental health services. The copayment or coinsurance for  
15 mental health services may be no more than the copayment or coinsurance  
16 for medical and surgical services otherwise provided under the health  
17 benefit plan. Wellness and preventive services that are provided or  
18 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
19 than other medical and surgical services are excluded from this  
20 comparison; and

21 (ii) Prescription drugs intended to treat any of the disorders  
22 covered in subsection (1) of this section to the same extent, and under  
23 the same terms and conditions, as other prescription drugs covered by  
24 the health benefit plan.

25 (b) For all group health benefit plans (~~established or renewed on~~  
26 ~~or after~~) for groups other than small groups, as defined in RCW  
27 48.43.005 delivered, issued for delivery, or renewed on or after  
28 January 1, 2008, (~~for groups of more than fifty employees~~) coverage  
29 for:

30 (i) Mental health services. The copayment or coinsurance for  
31 mental health services may be no more than the copayment or coinsurance  
32 for medical and surgical services otherwise provided under the health  
33 benefit plan. Wellness and preventive services that are provided or  
34 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
35 than other medical and surgical services are excluded from this  
36 comparison. If the health benefit plan imposes a maximum out-of-pocket  
37 limit or stop loss, it shall be a single limit or stop loss for  
38 medical, surgical, and mental health services; and

1 (ii) Prescription drugs intended to treat any of the disorders  
2 covered in subsection (1) of this section to the same extent, and under  
3 the same terms and conditions, as other prescription drugs covered by  
4 the health benefit plan.

5 (c) For all group health benefit plans (~~(established or renewed on~~  
6 ~~or after)) for groups other than small groups, as defined in RCW  
7 48.43.005 delivered, issued for delivery, or renewed on or after July  
8 1, 2010, (~~for groups of more than fifty employees~~) coverage for:~~

9 (i) Mental health services. The copayment or coinsurance for  
10 mental health services may be no more than the copayment or coinsurance  
11 for medical and surgical services otherwise provided under the health  
12 benefit plan. Wellness and preventive services that are provided or  
13 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
14 than other medical and surgical services are excluded from this  
15 comparison. If the health benefit plan imposes a maximum out-of-pocket  
16 limit or stop loss, it shall be a single limit or stop loss for  
17 medical, surgical, and mental health services. If the health benefit  
18 plan imposes any deductible, mental health services shall be included  
19 with medical and surgical services for the purpose of meeting the  
20 deductible requirement. Treatment limitations or any other financial  
21 requirements on coverage for mental health services are only allowed if  
22 the same limitations or requirements are imposed on coverage for  
23 medical and surgical services; and

24 (ii) Prescription drugs intended to treat any of the disorders  
25 covered in subsection (1) of this section to the same extent, and under  
26 the same terms and conditions, as other prescription drugs covered by  
27 the health benefit plan.

28 (3) In meeting the requirements of subsection (2)(a) and (b) of  
29 this section, health benefit plans may not reduce the number of mental  
30 health outpatient visits or mental health inpatient days below the  
31 level in effect on July 1, 2002.

32 (4) This section does not prohibit a requirement that mental health  
33 services be medically necessary as determined by the medical director  
34 or designee, if a comparable requirement is applicable to medical and  
35 surgical services.

36 (5) Nothing in this section shall be construed to prevent the  
37 management of mental health services.

1       **Sec. 2.** RCW 48.44.341 and 2005 c 6 s 4 are each amended to read as  
2 follows:

3       (1) For the purposes of this section, "mental health services"  
4 means medically necessary outpatient and inpatient services provided to  
5 treat mental disorders covered by the diagnostic categories listed in  
6 the most current version of the diagnostic and statistical manual of  
7 mental disorders, published by the American psychiatric association, on  
8 July 24, 2005, or such subsequent date as may be provided by the  
9 insurance commissioner by rule, consistent with the purposes of chapter  
10 6, Laws of 2005, with the exception of the following categories, codes,  
11 and services: (a) Substance related disorders; (b) life transition  
12 problems, currently referred to as "V" codes, and diagnostic codes 302  
13 through 302.9 as found in the diagnostic and statistical manual of  
14 mental disorders, 4th edition, published by the American psychiatric  
15 association; (c) skilled nursing facility services, home health care,  
16 residential treatment, and custodial care; and (d) court ordered  
17 treatment unless the health care service contractor's medical director  
18 or designee determines the treatment to be medically necessary.

19       (2) All health service contracts providing health benefit plans  
20 that provide coverage for medical and surgical services shall provide:

21       (a) For all group health benefit plans (~~established or renewed on~~  
22 ~~or after~~) for groups other than small groups, as defined in RCW  
23 48.43.005 delivered, issued for delivery, or renewed on or after  
24 January 1, 2006, (~~for groups of more than fifty employees~~) coverage  
25 for:

26       (i) Mental health services. The copayment or coinsurance for  
27 mental health services may be no more than the copayment or coinsurance  
28 for medical and surgical services otherwise provided under the health  
29 benefit plan. Wellness and preventive services that are provided or  
30 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
31 than other medical and surgical services are excluded from this  
32 comparison; and

33       (ii) Prescription drugs intended to treat any of the disorders  
34 covered in subsection (1) of this section to the same extent, and under  
35 the same terms and conditions, as other prescription drugs covered by  
36 the health benefit plan.

37       (b) For all group health benefit plans (~~established or renewed on~~  
38 ~~or after~~) for groups other than small groups, as defined in RCW

1 48.43.005 delivered, issued for delivery, or renewed on or after  
2 January 1, 2008, (~~for groups of more than fifty employees~~) coverage  
3 for:

4 (i) Mental health services. The copayment or coinsurance for  
5 mental health services may be no more than the copayment or coinsurance  
6 for medical and surgical services otherwise provided under the health  
7 benefit plan. Wellness and preventive services that are provided or  
8 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
9 than other medical and surgical services are excluded from this  
10 comparison. If the health benefit plan imposes a maximum out-of-pocket  
11 limit or stop loss, it shall be a single limit or stop loss for  
12 medical, surgical, and mental health services; and

13 (ii) Prescription drugs intended to treat any of the disorders  
14 covered in subsection (1) of this section to the same extent, and under  
15 the same terms and conditions, as other prescription drugs covered by  
16 the health benefit plan.

17 (c) For all group health benefit plans (~~established or renewed on~~  
18 ~~or after~~) for groups other than small groups, as defined in RCW  
19 48.43.005 delivered, issued for delivery, or renewed on or after July  
20 1, 2010, (~~for groups of more than fifty employees~~) coverage for:

21 (i) Mental health services. The copayment or coinsurance for  
22 mental health services may be no more than the copayment or coinsurance  
23 for medical and surgical services otherwise provided under the health  
24 benefit plan. Wellness and preventive services that are provided or  
25 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
26 than other medical and surgical services are excluded from this  
27 comparison. If the health benefit plan imposes a maximum out-of-pocket  
28 limit or stop loss, it shall be a single limit or stop loss for  
29 medical, surgical, and mental health services. If the health benefit  
30 plan imposes any deductible, mental health services shall be included  
31 with medical and surgical services for the purpose of meeting the  
32 deductible requirement. Treatment limitations or any other financial  
33 requirements on coverage for mental health services are only allowed if  
34 the same limitations or requirements are imposed on coverage for  
35 medical and surgical services; and

36 (ii) Prescription drugs intended to treat any of the disorders  
37 covered in subsection (1) of this section to the same extent, and under

1 the same terms and conditions, as other prescription drugs covered by  
2 the health benefit plan.

3 (3) In meeting the requirements of subsection (2)(a) and (b) of  
4 this section, health benefit plans may not reduce the number of mental  
5 health outpatient visits or mental health inpatient days below the  
6 level in effect on July 1, 2002.

7 (4) This section does not prohibit a requirement that mental health  
8 services be medically necessary as determined by the medical director  
9 or designee, if a comparable requirement is applicable to medical and  
10 surgical services.

11 (5) Nothing in this section shall be construed to prevent the  
12 management of mental health services.

13 **Sec. 3.** RCW 48.46.291 and 2005 c 6 s 5 are each amended to read as  
14 follows:

15 (1) For the purposes of this section, "mental health services"  
16 means medically necessary outpatient and inpatient services provided to  
17 treat mental disorders covered by the diagnostic categories listed in  
18 the most current version of the diagnostic and statistical manual of  
19 mental disorders, published by the American psychiatric association, on  
20 July 24, 2005, or such subsequent date as may be provided by the  
21 insurance commissioner by rule, consistent with the purposes of chapter  
22 6, Laws of 2005, with the exception of the following categories, codes,  
23 and services: (a) Substance related disorders; (b) life transition  
24 problems, currently referred to as "V" codes, and diagnostic codes 302  
25 through 302.9 as found in the diagnostic and statistical manual of  
26 mental disorders, 4th edition, published by the American psychiatric  
27 association; (c) skilled nursing facility services, home health care,  
28 residential treatment, and custodial care; and (d) court ordered  
29 treatment unless the health maintenance organization's medical director  
30 or designee determines the treatment to be medically necessary.

31 (2) All health benefit plans offered by health maintenance  
32 organizations that provide coverage for medical and surgical services  
33 shall provide:

34 (a) For all group health benefit plans (~~established or renewed on~~  
35 ~~or after~~) for groups other than small groups, as defined in RCW  
36 48.43.005 delivered, issued for delivery, or renewed on or after

1 January 1, 2006, (~~for groups of more than fifty employees~~) coverage  
2 for:

3 (i) Mental health services. The copayment or coinsurance for  
4 mental health services may be no more than the copayment or coinsurance  
5 for medical and surgical services otherwise provided under the health  
6 benefit plan. Wellness and preventive services that are provided or  
7 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
8 than other medical and surgical services are excluded from this  
9 comparison; and

10 (ii) Prescription drugs intended to treat any of the disorders  
11 covered in subsection (1) of this section to the same extent, and under  
12 the same terms and conditions, as other prescription drugs covered by  
13 the health benefit plan.

14 (b) For all group health benefit plans (~~established or renewed on~~  
15 ~~or after~~) for groups other than small groups, as defined in RCW  
16 48.43.005 delivered, issued for delivery, or renewed on or after  
17 January 1, 2008, (~~for groups of more than fifty employees~~) coverage  
18 for:

19 (i) Mental health services. The copayment or coinsurance for  
20 mental health services may be no more than the copayment or coinsurance  
21 for medical and surgical services otherwise provided under the health  
22 benefit plan. Wellness and preventive services that are provided or  
23 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
24 than other medical and surgical services are excluded from this  
25 comparison. If the health benefit plan imposes a maximum out-of-pocket  
26 limit or stop loss, it shall be a single limit or stop loss for  
27 medical, surgical, and mental health services; and

28 (ii) Prescription drugs intended to treat any of the disorders  
29 covered in subsection (1) of this section to the same extent, and under  
30 the same terms and conditions, as other prescription drugs covered by  
31 the health benefit plan.

32 (c) For all group health benefit plans (~~established or renewed on~~  
33 ~~or after~~) for groups other than small groups, as defined in RCW  
34 48.43.005 delivered, issued for delivery, or renewed on or after July  
35 1, 2010, (~~for groups of more than fifty employees~~) coverage for:

36 (i) Mental health services. The copayment or coinsurance for  
37 mental health services may be no more than the copayment or coinsurance  
38 for medical and surgical services otherwise provided under the health

1 benefit plan. Wellness and preventive services that are provided or  
2 reimbursed at a lesser copayment, coinsurance, or other cost sharing  
3 than other medical and surgical services are excluded from this  
4 comparison. If the health benefit plan imposes a maximum out-of-pocket  
5 limit or stop loss, it shall be a single limit or stop loss for  
6 medical, surgical, and mental health services. If the health benefit  
7 plan imposes any deductible, mental health services shall be included  
8 with medical and surgical services for the purpose of meeting the  
9 deductible requirement. Treatment limitations or any other financial  
10 requirements on coverage for mental health services are only allowed if  
11 the same limitations or requirements are imposed on coverage for  
12 medical and surgical services; and

13 (ii) Prescription drugs intended to treat any of the disorders  
14 covered in subsection (1) of this section to the same extent, and under  
15 the same terms and conditions, as other prescription drugs covered by  
16 the health benefit plan.

17 (3) In meeting the requirements of subsection (2)(a) and (b) of  
18 this section, health benefit plans may not reduce the number of mental  
19 health outpatient visits or mental health inpatient days below the  
20 level in effect on July 1, 2002.

21 (4) This section does not prohibit a requirement that mental health  
22 services be medically necessary as determined by the medical director  
23 or designee, if a comparable requirement is applicable to medical and  
24 surgical services.

25 (5) Nothing in this section shall be construed to prevent the  
26 management of mental health services.

27 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
28 preservation of the public peace, health, or safety, or support of the  
29 state government and its existing public institutions, and takes effect  
30 immediately.

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