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I N   S E N A T E

February 18, 2010

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Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to requiring coverage under the Healthy New York program for mental illness

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The opening paragraph of subparagraph (A) of paragraph 5 of  
2     subsection (1) of section 3221 of the insurance law, as amended by chap-  
3     ter 502 of the laws of 2007, is amended to read as follows:

4     Every insurer delivering a group or school blanket policy OR A GROUP  
5     OR INDIVIDUAL POLICY PURSUANT TO SECTION FOUR THOUSAND THREE HUNDRED  
6     TWENTY-SIX OF THIS CHAPTER or issuing a group or school blanket policy  
7     OR A GROUP OR INDIVIDUAL POLICY PURSUANT TO SECTION FOUR THOUSAND THREE  
8     HUNDRED TWENTY-SIX OF THIS CHAPTER for delivery, in this state, which  
9     provides coverage for inpatient hospital care or coverage for physician  
10    services shall provide as part of such policy broad-based coverage for  
11    the diagnosis and treatment of mental, nervous or emotional disorders or  
12    ailments, however defined in such policy, at least equal to the coverage  
13    provided for other health conditions and:

14    S 2. Item (i) of subparagraph (B) of paragraph 5 of subsection (1) of  
15    section 3221 of the insurance law, as amended by chapter 502 of the laws  
16    of 2007, is amended to read as follows:

17    (i) Every insurer delivering a group or school blanket policy OR A  
18    GROUP OR INDIVIDUAL POLICY PURSUANT TO SECTION FOUR THOUSAND THREE  
19    HUNDRED TWENTY-SIX OF THIS CHAPTER or issuing a group or school blanket  
20    policy OR A GROUP OR INDIVIDUAL POLICY PURSUANT TO SECTION FOUR THOUSAND  
21    THREE HUNDRED TWENTY-SIX OF THIS CHAPTER for delivery, in this state,  
22    which provides coverage for inpatient hospital care or coverage for  
23    physician services, shall provide comparable coverage for adults and  
24    children with biologically based mental illness. Such group policies  
25    issued or delivered in this state shall also provide such comparable  
26    coverage for children with serious emotional disturbances. Such coverage  
27    shall be provided under the terms and conditions otherwise applicable  
28    under the policy, including network limitations or variations, exclu-

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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sions, co-pays, coinsurance, deductibles or other specific cost sharing mechanisms. Provided further, where a policy provides both in-network and out-of-network benefits, the out-of-network benefits may have different coinsurance, co-pays, or deductibles, than the in-network benefits, regardless of whether the policy is written under one license or two licenses.

S 3. Subparagraph (D) of paragraph 5 of subsection (l) of section 3221 of the insurance law, as amended by chapter 502 of the laws of 2007, item (ii) as amended by section 1 of part A of chapter 503 of the laws of 2009, is amended to read as follows:

(D) [(i) The provisions of subparagraph (B) of this paragraph shall not apply to any group purchaser with fifty or fewer employees that is a policyholder of a policy that is subject to the provisions of this section; provided however that an insurer must make available, and if requested by such group purchaser, provide the coverage as specified in subparagraph (B) of this paragraph. Written notice of the availability of the coverage shall be delivered to the policyholder prior to inception of the group policy and annually thereafter.

(ii)] The superintendent shall develop and implement a methodology to cover the cost to any [such] INDIVIDUAL PURCHASER OR group purchaser WITH FIFTY OR FEWER EMPLOYEES THAT IS A POLICYHOLDER OF A POLICY THAT IS SUBJECT TO THE PROVISIONS OF THIS SECTION for providing the coverage required in subparagraph (A) of this paragraph. Such methodology shall be financed from moneys appropriated from the General Fund that shall be made available to the superintendent for such purposes, to the extent of funds available.

S 4. The opening paragraph of paragraph 1 of subsection (g) of section 4303 of the insurance law, as amended by chapter 502 of the laws of 2007, is amended to read as follows:

A hospital service corporation or a health service corporation, which provides group, group remittance or school blanket coverage OR GROUP OR INDIVIDUAL COVERAGE PURSUANT TO SECTION FOUR THOUSAND THREE HUNDRED TWENTY-SIX OF THIS ARTICLE for inpatient hospital care, shall provide as part of its contract broad-based coverage for the diagnosis and treatment of mental, nervous or emotional disorders or ailments, however defined in such contract, at least equal to the coverage provided for other health conditions and shall include:

S 5. Subparagraph (A) of paragraph 2 of subsection (g) of section 4303 of the insurance law, as amended by chapter 502 of the laws of 2007, is amended to read as follows:

(A) A hospital service corporation or a health service corporation, which provides group, group remittance or school blanket coverage OR GROUP OR INDIVIDUAL COVERAGE PURSUANT TO SECTION FOUR THOUSAND THREE HUNDRED TWENTY-SIX OF THIS ARTICLE for inpatient hospital care, shall provide comparable coverage for adults and children with biologically based mental illness. Such hospital service corporation or health service corporation shall also provide such comparable coverage for children with serious emotional disturbances. Such coverage shall be provided under the terms and conditions otherwise applicable under the contract, including network limitations or variations, exclusions, co-pays, coinsurance, deductibles or other specific cost sharing mechanisms. Provided further, where a contract provides both in-network and out-of-network benefits, the out-of-network benefits may have different coinsurance, co-pays, or deductibles, than the in-network benefits, regardless of whether the contract is written under one license or two licenses.

1 S 6. Paragraph 4 of subsection (g) of section 4303 of the insurance  
2 law, as amended by chapter 502 of the laws of 2007, subparagraph (B) as  
3 amended by section 2 of part A of chapter 503 of the laws of 2009, is  
4 amended to read as follows:

5 (4) [(A) The provisions of paragraph two of this subsection shall not  
6 apply to any group remittance group or group contract holder with fifty  
7 or fewer employees who is a group remittance group or group contract  
8 holder of a policy that is subject to the provisions of this section;  
9 provided however that a hospital service corporation or health service  
10 corporation must make available, and if requested by such group remit-  
11 ting agent or group contract holder, provide the coverage as specified  
12 in paragraph two of this subsection. Written notice of the availability  
13 of such coverage shall be delivered to the remitting agent or group  
14 contract holder prior to inception of such contract and annually there-  
15 after.

16 (B)] The superintendent shall develop and implement a methodology to  
17 cover the cost to any [such] INDIVIDUAL CONTRACT HOLDER OR group  
18 contract holder WITH FIFTY OR FEWER EMPLOYEES THAT IS A GROUP REMITTANCE  
19 GROUP OR GROUP CONTRACT HOLDER OF A POLICY THAT IS SUBJECT TO THE  
20 PROVISIONS OF THIS SECTION for providing the coverage required in para-  
21 graph one of this subsection. Such methodology shall be financed from  
22 moneys appropriated from the General Fund that shall be made available  
23 to the superintendent for such purposes, to the extent of funds avail-  
24 able.

25 S 7. Paragraph 1 of subsection (h) of section 4303 of the insurance  
26 law, as amended by chapter 502 of the laws of 2007, is amended to read  
27 as follows:

28 (1) A medical expense indemnity corporation or a health service corpo-  
29 ration, which provides group, group remittance or school blanket cover-  
30 age OR GROUP OR INDIVIDUAL COVERAGE PURSUANT TO SECTION FOUR THOUSAND  
31 THREE HUNDRED TWENTY-SIX OF THIS ARTICLE for physician services, shall  
32 provide as part of its contract broad-based coverage for the diagnosis  
33 and treatment of mental, nervous or emotional disorders or ailments,  
34 however defined in such contract, at least equal to the coverage  
35 provided for other health conditions and shall include: benefits for  
36 outpatient care provided by a psychiatrist or psychologist licensed to  
37 practice in this state, a licensed clinical social worker who meets the  
38 requirements of subsection (n) of this section, or a professional corpo-  
39 ration or university faculty practice corporation thereof, which bene-  
40 fits may be limited to not less than twenty visits in any contract year,  
41 plan year or calendar year. Such coverage may be provided on a contract  
42 year, plan year or calendar year basis and shall be consistent with the  
43 provision of other benefits under the contract. Such coverage may be  
44 subject to annual deductibles, co-pays and coinsurance as may be deemed  
45 appropriate by the superintendent and shall be consistent with those  
46 imposed on other benefits under the contract. In the event the group  
47 remittance group or contract holder is provided coverage provided under  
48 this paragraph and under subparagraph (B) of paragraph one of subsection  
49 (g) of this section from the same health service corporation, or under a  
50 contract which is jointly underwritten by two health service corpo-  
51 rations or by a health service corporation and a medical expense indem-  
52 nity corporation, the aggregate of the benefits for out-patient care  
53 obtained under subparagraph (B) of paragraph one of subsection (g) of  
54 this section and this paragraph may be limited to not less than twenty  
55 visits in any contract year, plan year or calendar year.

1 S 8. Subparagraph (A) of paragraph 2 of subsection (h) of section 4303  
2 of the insurance law, as amended by chapter 502 of the laws of 2007, is  
3 amended to read as follows:

4 (A) A medical expense indemnity corporation or a health service corpo-  
5 ration, which provides group, group remittance or school blanket cover-  
6 age OR GROUP OR INDIVIDUAL COVERAGE PURSUANT TO SECTION FOUR THOUSAND  
7 THREE HUNDRED TWENTY-SIX OF THIS ARTICLE for physician services, shall  
8 provide comparable coverage for adults and children with biologically  
9 based mental illness. Such medical expense indemnity corporation or  
10 health service corporation shall also provide such comparable coverage  
11 for children with serious emotional disturbances. Such coverage shall be  
12 provided under the terms and conditions otherwise applicable under the  
13 contract, including network limitations or variations, exclusions,  
14 co-pays, coinsurance, deductibles or other specific cost sharing mech-  
15 anisms. Provided further, where a contract provides both in-network and  
16 out-of-network benefits, the out-of-network benefits may have different  
17 coinsurance, co-pays, or deductibles, than the in-network benefits,  
18 regardless of whether the contract is written under one license or two  
19 licenses.

20 S 9. Paragraph 4 of subsection (h) of section 4303 of the insurance  
21 law, as amended by chapter 502 of the laws of 2007, subparagraph (B) as  
22 amended by section 3 of part A of chapter 503 of the laws of 2009, is  
23 amended to read as follows:

24 (4) [(A) The provisions of paragraph two of this subsection shall not  
25 apply to any group remittance group or group contract holder with fifty  
26 or fewer employees who is a group remittance group or group contract  
27 holder of a contract that is subject to the provisions of this section;  
28 provided, however, that a hospital service corporation or health service  
29 corporation must make available, and if requested by such group remit-  
30 ting agent or group contract holder, provide the coverage as specified  
31 in paragraph two of this subsection. Written notice of the availability  
32 of the coverage shall be delivered to the group remitting agent or group  
33 contract holder prior to inception of such contract and annually there-  
34 after.

35 (B)] The superintendent shall develop and implement a methodology to  
36 cover the cost to any [such] group remittance group and INDIVIDUAL  
37 CONTRACT HOLDER OR group contract holder WITH FIFTY OR FEWER EMPLOYEES  
38 THAT IS A GROUP REMITTANCE GROUP OR GROUP CONTRACT HOLDER OF A POLICY  
39 THAT IS SUBJECT TO THE PROVISIONS OF THIS SECTION for providing the  
40 coverage required in paragraph one of this subsection. Such methodology  
41 shall be financed from moneys appropriated from the General Fund that  
42 shall be made available to the superintendent for such purposes, to the  
43 extent of funds available.

44 S 10. This act shall take effect immediately.