

Introduced: 4/22/85
Referred: Labor & Commerce and
Health, Education & Social Services

1 IN THE SENATE

BY FAIKS

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SENATE BILL NO. 295

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - FIRST SESSION

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A BILL

6 For an Act entitled: "An Act requiring insurers to offer coverage for the
7 treatment of a mental or nervous condition in certain
8 health insurance policies."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 21.42 is amended by adding a new section to read:

11 Sec. 21.42.365. COVERAGE FOR TREATMENT OF A MENTAL OR NERVOUS
12 CONDITION. (a) An insurer that issues for delivery, delivers, or
13 renews a health insurance policy in the state after the effective date
14 of this section shall offer the insured an option to receive the
15 following minimum coverage for treatment of a mental or nervous condi-
16 tion of the insured or other person who would otherwise be covered by
17 the insured's health insurance policy:

18 (1) 45 days a year of inpatient treatment for each covered
19 individual;

20 (2) 30 visits a year of outpatient treatment for each
21 covered individual.

22 (b) The health insurance policy may impose reasonable contract
23 limitations, but may not require that the insured pay a higher deduct-
24 ible or co-payment for a cost for treatment of a mental or nervous
25 condition than for a cost for treatment of another condition or
26 illness.

27 (c) In this section

28 (1) "co-payment" means the portion of the cost to be paid
29 by the insured;

1 (2) "cost" means the lesser of the following:

2 (A) the actual charge for the treatment received for a
3 mental or nervous condition; or

4 (B) the usual, customary and reasonable charge for the
5 treatment in the judicial district of this state where the treat-
6 ment was rendered;

7 (3) "health insurance policy" means a hospital or medical
8 expense policy, or a nonprofit health care corporation plan;

9 (4) "inpatient treatment" means continuous treatment of
10 more than 12 hours in a 24-hour period in the psychiatric unit of a
11 general hospital licensed under AS 18.20, in a psychiatric hospital
12 that is licensed under AS 18.20, or in a hospital in the state that is
13 specifically exempt under AS 18.20.020 from the licensing requirements
14 of the state;

15 (5) "mental or nervous condition" means an impairment of
16 psychobiological processes that is severe enough to cause social,
17 psychological, or biological malfunctioning; "mental or nervous condi-
18 tion" includes a substantial disorder of thought, mood, perception,
19 orientation, or memory that significantly impairs judgment, behavior,
20 capacity to recognize, or ability to cope with the ordinary demands of
21 life; mental retardation, epilepsy, drug addiction, and alcoholism do
22 not constitute a mental or nervous condition although a person who
23 suffers from one or more of these conditions may also be suffering
24 from a mental or nervous condition;

25 (6) "outpatient treatment" means treatment that is not
26 inpatient treatment and that is provided under the supervision of

27 (A) a psychiatrist who is licensed as a physician in
28 the state and certified in psychiatry by the American Board of
29 Psychiatry and Neurology;

1 (B) a physician who is employed by the federal govern-
2 ment in this state and certified in psychiatry by the American
3 Board of Psychiatry and Neurology; or

4 (C) a psychologist or psychological associate licensed
5 under AS 08.86.

6 * Sec. 2. AS 21.87.340 is amended to read:

7 Sec. 21.87.340. OTHER PROVISIONS APPLICABLE. In addition to the
8 provisions contained or referred to previously in this chapter, the
9 following chapters and provisions of this title also apply with
10 respect to service corporations to the extent applicable and not in
11 conflict with the express provisions of this chapter and the reason-
12 able implications of the express provisions, and for the purposes of
13 the application the corporations shall be considered to be mutual
14 "insurers":

- 15 (1) AS 21.03
16 (2) AS 21.06
17 (3) AS 21.09, except AS 21.09.090
18 (4) AS 21.18.010
19 (5) AS 21.18.030
20 (6) AS 21.18.040
21 (7) AS 21.18.120
22 (8) AS 21.21.321
23 (9) AS 21.36
24 (10) AS 21.69.400
25 (11) AS 21.69.520
26 (12) AS 21.69.600, 21.69.620, and 21.69.630
27 (13) AS 21.78
28 (14) AS 21.90
29 (15) AS 21.42.345 - 21.42.365 [AND 21.42.355]

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(16) AS 21.89.040

(17) AS 21.89.060.