

Offered: 5/2/86  
Referred: Rules

Original sponsor: Faiks

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2

CS FOR SENATE BILL NO. 295 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to insurance coverage for the treat-  
7 ment of a mental or nervous condition."

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

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

10 Sec. 21.42.365. COVERAGE FOR TREATMENT OF A MENTAL OR NERVOUS  
11 CONDITION. (a) An insurer that issues for delivery, delivers, or  
12 renews a health insurance policy in the state after January 1, 1987,  
13 shall offer the insured an option to receive the following coverage  
14 for treatment of a mental or nervous condition of the insured or other  
15 person covered by the insured's health insurance policy:

16 (1) 45 days a year of inpatient treatment for each covered  
17 individual;

18 (2) a total of 50 hours a year of outpatient treatment or  
19 office visits for each covered individual, accumulated in any incre-  
20 ments of time.

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

26 (c) If an insured declines the coverage offered by an insurer  
27 under this section, the insurer may offer the insured other coverage  
28 for treatment of a mental or nervous condition.

29 (d) In this section

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

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

4           (A) the actual charge for the treatment received for a  
5 mental or nervous condition; or

6           (B) the usual, customary and reasonable charge for the  
7 treatment;

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

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

15          (5) "mental or nervous condition" means a mental disorder  
16 identified in

17           (A) the Diagnostic and Statistical Manual of Mental  
18 Disorders (Third Edition) published by the American Psychiatric  
19 Association; or

20           (B) the ICD-9-CM (First Edition) published by the  
21 Commission on Professional and Hospital Activities;

22          (6) "office visit" means treatment that is not inpatient  
23 treatment or outpatient treatment and that is provided by

24           (A) a psychiatrist who is licensed as a physician in  
25 the state and certified, or eligible for certification, in psy-  
26 chiatry by the American Board of Psychiatry and Neurology;

27           (B) a physician who is employed by the federal govern-  
28 ment in the state and certified or eligible for certification in  
29 psychiatry by the American Board of Psychiatry and Neurology; or

1 (C) a psychologist or psychological associate licensed  
2 under AS 08.86;

3 (7) "outpatient treatment" means treatment that is not  
4 inpatient treatment and that is provided

5 (A) in the outpatient department of

6 (i) a hospital that is licensed under AS 18.20 or  
7 that is specifically exempt under AS 18.20.020 from the  
8 licensing requirements of the state;

9 (ii) a hospital that is located in another state  
10 and that is either licensed or specifically exempt from  
11 the licensing requirements of that state; or

12 (iii) an entity that is designated by the Depart-  
13 ment of Health and Social Services as the organizational  
14 unit in a geographical area to receive funds under AS 47.-  
15 30.520 - 47.30.620; and

16 (B) by one or more of the following, or by a person  
17 who is under the direct supervision of one or more of the follow-  
18 ing, has a master's or doctorate degree in psychology, nursing,  
19 or social work, and is employed by the same health care facility  
20 as the person or persons providing the direct supervision,

21 (i) a psychiatrist who is licensed as a physician  
22 in the state and certified, or eligible for certification,  
23 in psychiatry by the American Board of Psychiatry and Neu-  
24 rology;

25 (ii) a physician who is employed by the federal  
26 government in the state and certified or eligible for certi-  
27 fication in psychiatry by the American Board of Psychiatry  
28 and Neurology; or

29 (iii) a psychologist licensed under AS 08.86.

1 \* Sec. 2. AS 21.36.090(d) is amended to read:

2 (d) Except to the extent necessary to comply with AS 21.42.365,  
3 a [A] person may not practice or permit unfair discrimination against  
4 a person who provides a service covered under a group disability  
5 policy that extends coverage on an expense incurred basis, or under a  
6 group service or indemnity type contract issued by a nonprofit corpo-  
7 ration, if the service is within the scope of the provider's occupa-  
8 tional license. In this subsection, "provider" means a state licensed  
9 physician, dentist, osteopath, optometrist, chiropractor, or nurse  
10 midwife.

11 \* Sec. 3. AS 21.87.340 is amended to read:

12 Sec. 21.87.340. OTHER PROVISIONS APPLICABLE. In addition to the  
13 provisions contained or referred to previously in this chapter, the  
14 following chapters and provisions of this title also apply with re-  
15 spect to service corporations to the extent applicable and not in  
16 conflict with the express provisions of this chapter and the reason-  
17 able implications of the express provisions, and for the purposes of  
18 the application the corporations shall be considered to be mutual  
19 "insurers":

- 20 (1) AS 21.03  
21 (2) AS 21.06  
22 (3) AS 21.09, except AS 21.09.090  
23 (4) AS 21.18.010  
24 (5) AS 21.18.030  
25 (6) AS 21.18.040  
26 (7) AS 21.18.120  
27 (8) AS 21.21.321  
28 (9) AS 21.36  
29 (10) AS 21.69.400

- 1 (11) AS 21.69.520  
2 (12) AS 21.69.600, 21.69.620, and 21.69.630  
3 (13) AS 21.78  
4 (14) AS 21.90  
5 (15) AS 21.42.345 - 21.42.365 [AND 21.42.355]  
6 (16) AS 21.89.040  
7 (17) AS 21.89.060.