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Original sponsors: Davis and Koponen

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 313 (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 *limited to transfer disability insurance in the state that offer policies*
CONDITION. (a) An insurer that issues *for delivery*, delivers, or
12 *for major medical coverage on an expense incurred basis*
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
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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

12 (A) the psychiatric unit of a general hospital that is
13 either licensed under AS 18.20 or located and licensed in another
14 state;

15 (B) a psychiatric hospital that is either licensed
16 under AS 18.20 or located and licensed in another state; or

17 (C) a hospital that is located in

18 (i) the state and specifically exempt under
19 AS 18.20.020 from the licensing requirements of the state;
20 or

21 (ii) another state and specifically exempt from
22 the licensing requirements of that state;

23 (5) "mental or nervous condition" means a mental disorder
24 identified in

25 (A) the Diagnostic and Statistical Manual of Mental
26 Disorders (Third Edition) published by the American Psychiatric
27 Association; or

28 (B) the ICD-9-CM-4

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

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

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

9 (C) a psychologist or psychological associate licensed
10 under AS 08.86;

11 (7) "outpatient treatment" means treatment that is not
12 inpatient treatment and that is provided

13 (A) in the outpatient department of

14 (i) a hospital that is licensed under AS 18.20 or
15 that is specifically exempt under AS 18.20.020 from the
16 licensing requirements of the state;

17 (ii) a hospital that is located in another state
18 and that is either licensed or specifically exempt from the
19 licensing requirements of that state; or

20 (iii) an entity that is designated by the Depart-
21 ment of Health and Social Services as the organizational
22 unit in a geographical area to receive funds under AS 47.-
23 30.520 - 47.30.620; and

24 (B) by one or more of the following, or by a person
25 who is under the direct supervision of one or more of the follow-
26 ing, has a master's or doctorate degree in psychology, nursing,
27 or social work, and is employed by the same health care facility
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1 in the state and certified, or eligible for certification,
2 in psychiatry by the American Board of Psychiatry and Neu-
3 rology;

4 (ii) a physician who is employed by the federal
5 government in the state and certified or eligible for certi-
6 fication in psychiatry by the American Board of Psychiatry
7 and Neurology; or

8 (iii) a psychologist licensed under AS 08.86.

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

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

19 * Sec. 3. AS 21.87.340 is amended to read:

20 Sec. 21.87.340. OTHER PROVISIONS APPLICABLE. In addition to the
21 provisions contained or referred to previously in this chapter, the
22 following chapters and provisions of this title also apply with re-
23 spect to service corporations to the extent applicable and not in
24 conflict with the express provisions of this chapter and the reason-
25 able implications of the express provisions, and for the purposes of
26 the application the corporations shall be considered to be mutual
27 "insurers":
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- 1 (3) AS 21.09, except AS 21.09.090
- 2 (4) AS 21.18.010
- 3 (5) AS 21.18.030
- 4 (6) AS 21.18.040
- 5 (7) AS 21.18.120
- 6 (8) AS 21.21.321
- 7 (9) AS 21.36
- 8 (10) AS 21.69.400
- 9 (11) AS 21.69.520
- 10 (12) AS 21.69.600, 21.69.620, and 21.69.630
- 11 (13) AS 21.78
- 12 (14) AS 21.90
- 13 (15) AS 21.42.345 - 21.42.365 [AND 21.42.355]
- 14 (16) AS 21.89.040
- 15 (17) AS 21.89.060.

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