

1 Section 2. Section 627.668, Florida Statutes, 1998
2 Supplement, is amended to read:

3 627.668 Optional coverage for mental and nervous
4 disorders required; exception.--

5 (1) Every insurer, health maintenance organization,
6 and nonprofit hospital and medical service plan corporation
7 transacting group health insurance or providing prepaid health
8 care in this state shall make available to the policyholder as
9 part of the application, for an appropriate additional premium
10 under a group hospital and medical expense-incurred insurance
11 policy, under a group prepaid health care contract, and under
12 a group hospital and medical service plan contract, the
13 benefits or level of benefits specified in subsection (2) for
14 the necessary care and treatment of mental and nervous
15 disorders, as defined in the standard nomenclature of the
16 American Psychiatric Association, except that this section
17 does not apply to coverage for serious mental illness as
18 defined in s. 627.6681. The coverage required in this section
19 is subject to the right of the applicant for a group policy or
20 contract to select any alternative benefits or level of
21 benefits as may be offered by the insurer, health maintenance
22 organization, or service plan corporation provided that, if
23 alternate inpatient, outpatient, or partial hospitalization
24 benefits are selected, such benefits shall not be less than
25 the level of benefits required under paragraph (2)(a),
26 paragraph (2)(b), or paragraph (2)(c), respectively.

27 (2) Under group policies or contracts, inpatient
28 hospital benefits, partial hospitalization benefits, and
29 outpatient benefits provided under this section consisting of
30 durational limits, dollar amounts, deductibles, and
31

1 coinsurance factors must ~~shall~~ not be less favorable than for
2 physical illness generally, except that:

3 (a) Inpatient benefits may be limited to not less than
4 30 days per benefit year as defined in the policy or contract.
5 If inpatient hospital benefits are provided beyond 30 days per
6 benefit year, the durational limits, dollar amounts, and
7 coinsurance factors thereto need not be the same as applicable
8 to physical illness generally.

9 (b) Outpatient benefits may be limited to \$1,000 for
10 consultations with a licensed physician, a psychologist
11 licensed pursuant to chapter 490, a mental health counselor
12 licensed pursuant to chapter 491, a marriage and family
13 therapist licensed pursuant to chapter 491, and a clinical
14 social worker licensed pursuant to chapter 491. If benefits
15 are provided beyond the \$1,000 per benefit year, the
16 durational limits, dollar amounts, and coinsurance factors
17 thereof need not be the same as applicable to physical illness
18 generally.

19 (c) Partial hospitalization benefits shall be provided
20 under the direction of a licensed physician. For purposes of
21 this part, the term "partial hospitalization services" is
22 defined as those services offered by a program accredited by
23 the Joint Commission on Accreditation of Hospitals (JCAH) or
24 in compliance with equivalent standards. Alcohol
25 rehabilitation programs accredited by the Joint Commission on
26 Accreditation of Hospitals or approved by the state and
27 licensed drug abuse rehabilitation programs shall also be
28 qualified providers under this section. In any benefit year,
29 if partial hospitalization services or a combination of
30 inpatient and partial hospitalization are utilized, the total
31 benefits paid for all such services shall not exceed the cost

1 of 30 days of inpatient hospitalization for psychiatric
2 services, including physician fees, which prevail in the
3 community in which the partial hospitalization services are
4 rendered. If partial hospitalization services benefits are
5 provided beyond the limits set forth in this paragraph, the
6 durational limits, dollar amounts, and coinsurance factors
7 thereof need not be the same as those applicable to physical
8 illness generally.

9 (3) Insurers that provide coverage under this section
10 and s. 627.6681 must maintain strict confidentiality regarding
11 psychiatric and psychotherapeutic records submitted to an
12 insurer for the purpose of reviewing a claim for benefits
13 payable under this section. These records submitted to an
14 insurer are subject to the limitations of s. 455.667, relating
15 to the furnishing of patient records.

16 Section 3. Section 627.6681, Florida Statutes, is
17 created to read:

18 627.6681 Coverage for serious mental illness
19 required.--

20 (1) Every insurer and health maintenance organization
21 transacting group health insurance or providing prepaid health
22 care in this state shall provide, as part of such insurance or
23 health care under a group hospital and medical
24 expense-incurred insurance policy, under a group prepaid
25 health care contract, or under a group health maintenance
26 organization contract, coverage for the treatment of serious
27 mental illness, which treatment is determined to be medically
28 necessary.

29 (2) Under group policies or contracts, inpatient
30 hospital benefits, partial hospitalization benefits, and
31 outpatient benefits consisting of durational limits, dollar

1 amounts, deductibles, and coinsurance factors must be the same
2 for serious mental illness as for physical illness generally.
3 Notwithstanding the provisions of this subsection, an insurer
4 or health maintenance organization may limit inpatient
5 coverage to 45 days per year and may limit outpatient coverage
6 to 60 visits per year.

7 (3) This section does not apply to any group health
8 plan, or group health insurance covered in connection with a
9 group health plan, for any plan year of a small employer as
10 defined in s. 627.6699.

11 (4) As used in this section, the term "serious mental
12 illness" means the following psychiatric illnesses as defined
13 by the American Psychiatric Association in the most current
14 edition of the Diagnostic and Statistical Manual:
15 schizophrenia, schizoaffective disorder, panic disorder,
16 bipolar affective disorder, major depressive disorder, and
17 specific obsessive-compulsive disorder.

18 (5) Notwithstanding other provisions of this section,
19 chapter 641, s. 627.6471, or s. 627.6472, an insurer or health
20 maintenance organization may require that the covered services
21 required by this section be provided by an exclusive provider
22 of health care, or a group of exclusive providers of health
23 care, which has entered into a written agreement with the
24 insurer or health maintenance organization to provide benefits
25 under this section. The insurer or health maintenance
26 organization may condition the payment of such benefits, in
27 whole or in part, on the use of such exclusive providers.

28 (6) The insurer or health maintenance organization may
29 directly or indirectly enter into a capitation contract with
30 an exclusive provider of health care or a group of exclusive
31 providers of health care to provide benefits under this

1 section. In providing the benefits under this section, the
2 insurer or health maintenance organization may impose other
3 appropriate financial incentives, peer review, and utilization
4 requirements to reduce service costs and utilization without
5 compromising quality of care.

6 (7) This section does not apply with respect to a
7 group health plan, or health insurance coverage offered in
8 connection with a group health plan, if the application of
9 this section to such plan or coverage results in an increase
10 in the cost under the plan or for such coverage of at least 2
11 percent, as determined by the department upon a filing by an
12 insurer or health maintenance organization demonstrating such
13 an increase based on actual claims experience of at least 6
14 months.

15 Section 4. Subsection (18) is added to section
16 627.6472, Florida Statutes, 1998 Supplement, to read:

17 627.6472 Exclusive provider organizations.--

18 (18) Each exclusive provider organization that offers
19 a group plan within this state must comply with s. 627.6681.

20 Section 5. Subsection (9) is added to section
21 627.6515, Florida Statutes, 1998 Supplement, to read:

22 627.6515 Out-of-state groups.--

23 (9) Each group, blanket, and franchise health
24 insurance policy that offers a group plan within this state
25 must comply with s. 627.6681.

26 Section 6. Subsection (36) is added to section 641.31,
27 Florida Statutes, 1998 Supplement, to read:

28 641.31 Health maintenance contracts.--

29 (36) Each group health maintenance organization
30 contract offered must comply with s. 627.6681.

31

