



294212

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/17/2009	.	
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The Committee on Banking and Insurance (Storms) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

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

627.668 Optional coverage for mental and nervous disorders
required; exception.—

(1) Every insurer, health maintenance organization, and
nonprofit hospital and medical service plan corporation



294212

12 transacting group health insurance or providing prepaid health
13 care in this state shall make available to the policyholder as
14 part of the application, for an appropriate additional premium
15 under a group hospital and medical expense-incurred insurance
16 policy, under a group prepaid health care contract, and under a
17 group hospital and medical service plan contract, the benefits
18 or level of benefits specified in subsections ~~subsection~~ (2) and
19 (3) for the necessary care and treatment of mental and nervous
20 disorders, as defined in the most recent edition of the
21 Diagnostic and Statistical Manual of Mental Disorders published
22 by ~~standard nomenclature of~~ the American Psychiatric
23 Association, subject to the right of the applicant for a group
24 policy or contract to select any alternative benefits or level
25 of benefits as may be offered by the insurer, health maintenance
26 organization, or service plan corporation, provided that, if
27 alternate inpatient, outpatient, or partial hospitalization
28 benefits are selected, such benefits shall not be less than the
29 level of benefits required under subsections (2) and (3)
30 paragraph (2) (a), paragraph (2) (b), or paragraph (2) (c),
31 respectively. With respect to the state group insurance program,
32 the term "policyholder" means the State of Florida.

33 (2) Under group policies or contracts, inpatient hospital
34 benefits, partial hospitalization benefits, and outpatient
35 benefits consisting of durational limits, dollar amounts,
36 deductibles, and coinsurance factors shall not be less favorable
37 than for physical illness generally for the necessary care and
38 treatment of schizophrenia and psychotic disorders, mood
39 disorders, anxiety disorders, substance abuse disorders, eating
40 disorders, and childhood ADD/ADHD.



294212

41 ~~(3)-(2)~~ Under group policies or contracts, inpatient
42 hospital benefits, partial hospitalization benefits, and
43 outpatient benefits for mental health disorders not listed in
44 subsection (2) consisting of durational limits, dollar amounts,
45 ~~deductibles, and coinsurance factors~~ shall not be less favorable
46 than for physical illness generally, except that:

47 (a) Inpatient benefits may be limited to not less than 45
48 ~~30~~ days per benefit year as defined in the policy or contract.
49 If inpatient hospital benefits are provided beyond 45 ~~30~~ days
50 per benefit year, the durational limits, dollar amounts, and
51 coinsurance factors thereto need not be the same as applicable
52 to physical illness generally.

53 (b) Outpatient benefits may be limited to 60 visits per
54 benefit year ~~\$1,000~~ for consultations with a licensed physician,
55 a psychologist licensed pursuant to chapter 490, a mental health
56 counselor licensed pursuant to chapter 491, a marriage and
57 family therapist licensed pursuant to chapter 491, and a
58 clinical social worker licensed pursuant to chapter 491. If
59 benefits are provided beyond the 60 visits ~~\$1,000~~ per benefit
60 year, the durational limits, dollar amounts, and coinsurance
61 factors thereof need not be the same as applicable to physical
62 illness generally.

63 (c) Partial hospitalization benefits shall be provided
64 under the direction of a licensed physician. For purposes of
65 this part, the term "partial hospitalization services" is
66 defined as those services offered by a program accredited by the
67 Joint Commission on Accreditation of Hospitals (JCAH) or in
68 compliance with equivalent standards. Alcohol rehabilitation
69 programs accredited by the Joint Commission on Accreditation of



294212

70 Hospitals or approved by the state and licensed drug abuse
71 rehabilitation programs shall also be qualified providers under
72 this section. In any benefit year, if partial hospitalization
73 services or a combination of inpatient and partial
74 hospitalization are utilized, the total benefits paid for all
75 such services shall not exceed the cost of 45 ~~30~~ days of
76 inpatient hospitalization for psychiatric services, including
77 physician fees, which prevail in the community in which the
78 partial hospitalization services are rendered. If partial
79 hospitalization services benefits are provided beyond the limits
80 set forth in this paragraph, the durational limits, dollar
81 amounts, and coinsurance factors thereof need not be the same as
82 those applicable to physical illness generally.

83 (4) In providing the benefits under this section, the
84 insurer or health maintenance organization may impose
85 appropriate financial incentives, peer review, utilization
86 requirements, and other methods used for the management of
87 benefits provided for other medical conditions, to reduce
88 service costs and utilization without compromising quality of
89 care.

90 (5)~~(3)~~ Insurers must maintain strict confidentiality
91 regarding psychiatric and psychotherapeutic records submitted to
92 an insurer for the purpose of reviewing a claim for benefits
93 payable under this section. These records submitted to an
94 insurer are subject to the limitations of s. 456.057, relating
95 to the furnishing of patient records.

96 (6) This section does not apply with respect to a group
97 health plan, or health insurance coverage offered in connection
98 with a group health plan, if the application of this section to



294212

99 such plan or coverage has caused an increase in the costs under
100 the plan or for such coverage of more than 2 percent, as
101 determined and certified by an independent actuary to the Office
102 of Insurance Regulation.

103 Section 2. Paragraph (b) of subsection (8) of section
104 627.6675, Florida Statutes, is amended to read:

105 627.6675 Conversion on termination of eligibility.—Subject
106 to all of the provisions of this section, a group policy
107 delivered or issued for delivery in this state by an insurer or
108 nonprofit health care services plan that provides, on an
109 expense-incurred basis, hospital, surgical, or major medical
110 expense insurance, or any combination of these coverages, shall
111 provide that an employee or member whose insurance under the
112 group policy has been terminated for any reason, including
113 discontinuance of the group policy in its entirety or with
114 respect to an insured class, and who has been continuously
115 insured under the group policy, and under any group policy
116 providing similar benefits that the terminated group policy
117 replaced, for at least 3 months immediately prior to
118 termination, shall be entitled to have issued to him or her by
119 the insurer a policy or certificate of health insurance,
120 referred to in this section as a “converted policy.” A group
121 insurer may meet the requirements of this section by contracting
122 with another insurer, authorized in this state, to issue an
123 individual converted policy, which policy has been approved by
124 the office under s. 627.410. An employee or member shall not be
125 entitled to a converted policy if termination of his or her
126 insurance under the group policy occurred because he or she
127 failed to pay any required contribution, or because any



294212

128 discontinued group coverage was replaced by similar group
129 coverage within 31 days after discontinuance.

130 (8) BENEFITS OFFERED.—

131 (b) An insurer shall offer the benefits specified in s.
132 627.668 ~~and the benefits specified in s. 627.669~~ if those
133 benefits were provided in the group plan.

134 Section 3. Section 627.669, Florida Statutes, is repealed.

135 Section 4. This act shall take effect January 1, 2010, and
136 shall apply to policies and contracts issued or renewed on or
137 after that date.

138
139 ===== T I T L E A M E N D M E N T =====

140 And the title is amended as follows:

141 Delete everything before the enacting clause
142 and insert:

143 A bill to be entitled
144 An act relating to coverage for mental and nervous
145 disorders; amending s. 627.668, F.S.; revising
146 requirements and limitations for optional coverage for
147 mental and nervous disorders; specifying
148 nonapplication under certain circumstances; amending
149 s. 627.6675, F.S.; conforming a cross-reference;
150 repealing s. 627.669, F.S., relating to optional
151 coverage required for substance abuse impaired
152 persons; providing an effective date.