

By the Committee on Banking and Insurance; and Senator Crist

597-02956-09

2009354c1

1 A bill to be entitled
2 An act relating to coverage for mental and nervous
3 disorders; amending s. 627.668, F.S.; revising
4 requirements and limitations for optional coverage for
5 mental and nervous disorders; specifying
6 nonapplication under certain circumstances; amending
7 s. 627.6675, F.S.; conforming a cross-reference;
8 repealing s. 627.669, F.S., relating to optional
9 coverage required for substance abuse impaired
10 persons; providing for application; providing an
11 effective date.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Section 627.668, Florida Statutes, is amended to
16 read:

17 627.668 Optional coverage for mental and nervous disorders
18 required; exception.—

19 (1) Every insurer, health maintenance organization, and
20 nonprofit hospital and medical service plan corporation
21 transacting group health insurance or providing prepaid health
22 care in this state shall make available to the policyholder as
23 part of the application, for an appropriate additional premium
24 under a group hospital and medical expense-incurred insurance
25 policy, under a group prepaid health care contract, and under a
26 group hospital and medical service plan contract, the benefits
27 or level of benefits specified in subsections ~~subsection~~ (2) and
28 (3) for the necessary care and treatment of mental and nervous
29 disorders, as defined in the most recent edition of the

597-02956-09

2009354c1

30 Diagnostic and Statistical Manual of Mental Disorders published
31 by ~~standard nomenclature of~~ the American Psychiatric
32 Association, subject to the right of the applicant for a group
33 policy or contract to select any alternative benefits or level
34 of benefits as may be offered by the insurer, health maintenance
35 organization, or service plan corporation, provided that, if
36 alternate inpatient, outpatient, or partial hospitalization
37 benefits are selected, such benefits shall not be less than the
38 level of benefits required under subsections (2) and (3)
39 paragraph (2) (a), paragraph (2) (b), or paragraph (2) (c),
40 respectively. With respect to the state group insurance program,
41 the term "policyholder" means the State of Florida.

42 (2) Under group policies or contracts, inpatient hospital
43 benefits, partial hospitalization benefits, and outpatient
44 benefits consisting of durational limits, dollar amounts,
45 deductibles, and coinsurance factors shall not be less favorable
46 than for physical illness generally for the necessary care and
47 treatment of schizophrenia and psychotic disorders, mood
48 disorders, anxiety disorders, substance abuse disorders, eating
49 disorders, and childhood ADD/ADHD.

50 (3)~~(2)~~ Under group policies or contracts, inpatient
51 hospital benefits, partial hospitalization benefits, and
52 outpatient benefits for mental health disorders not listed in
53 subsection (2) consisting of durational limits, dollar amounts,
54 deductibles, and coinsurance factors shall not be less favorable
55 than for physical illness generally, except that:

56 (a) Inpatient benefits may be limited to not less than 45
57 ~~30~~ days per benefit year as defined in the policy or contract.
58 If inpatient hospital benefits are provided beyond 45 ~~30~~ days

597-02956-09

2009354c1

59 per benefit year, the durational limits, dollar amounts, and
60 coinsurance factors thereto need not be the same as applicable
61 to physical illness generally.

62 (b) Outpatient benefits may be limited to 60 visits per
63 benefit year ~~\$1,000~~ for consultations with a licensed physician,
64 a psychologist licensed pursuant to chapter 490, a mental health
65 counselor licensed pursuant to chapter 491, a marriage and
66 family therapist licensed pursuant to chapter 491, and a
67 clinical social worker licensed pursuant to chapter 491. If
68 benefits are provided beyond the 60 visits ~~\$1,000~~ per benefit
69 year, the durational limits, dollar amounts, and coinsurance
70 factors thereof need not be the same as applicable to physical
71 illness generally.

72 (c) Partial hospitalization benefits shall be provided
73 under the direction of a licensed physician. For purposes of
74 this part, the term "partial hospitalization services" is
75 defined as those services offered by a program accredited by the
76 Joint Commission on Accreditation of Hospitals (JCAH) or in
77 compliance with equivalent standards. Alcohol rehabilitation
78 programs accredited by the Joint Commission on Accreditation of
79 Hospitals or approved by the state and licensed drug abuse
80 rehabilitation programs shall also be qualified providers under
81 this section. In any benefit year, if partial hospitalization
82 services or a combination of inpatient and partial
83 hospitalization are utilized, the total benefits paid for all
84 such services shall not exceed the cost of 45 ~~30~~ days of
85 inpatient hospitalization for psychiatric services, including
86 physician fees, which prevail in the community in which the
87 partial hospitalization services are rendered. If partial

597-02956-09

2009354c1

88 hospitalization services benefits are provided beyond the limits
89 set forth in this paragraph, the durational limits, dollar
90 amounts, and coinsurance factors thereof need not be the same as
91 those applicable to physical illness generally.

92 (4) In providing the benefits under this section, the
93 insurer or health maintenance organization may impose
94 appropriate financial incentives, peer review, utilization
95 requirements, and other methods used for the management of
96 benefits provided for other medical conditions in order to
97 reduce service costs and utilization without compromising
98 quality of care.

99 (5)~~(3)~~ Insurers must maintain strict confidentiality
100 regarding psychiatric and psychotherapeutic records submitted to
101 an insurer for the purpose of reviewing a claim for benefits
102 payable under this section. These records submitted to an
103 insurer are subject to the limitations of s. 456.057, relating
104 to the furnishing of patient records.

105 (6) This section does not apply with respect to a group
106 health plan, or health insurance coverage offered in connection
107 with a group health plan, if the application of this section to
108 such plan or coverage has caused an increase in the costs under
109 the plan or for such coverage of more than 2 percent, as
110 determined and certified by an independent actuary to the Office
111 of Insurance Regulation.

112 Section 2. Paragraph (b) of subsection (8) of section
113 627.6675, Florida Statutes, is amended to read:

114 627.6675 Conversion on termination of eligibility.—Subject
115 to all of the provisions of this section, a group policy
116 delivered or issued for delivery in this state by an insurer or

597-02956-09

2009354c1

117 nonprofit health care services plan that provides, on an
118 expense-incurred basis, hospital, surgical, or major medical
119 expense insurance, or any combination of these coverages, shall
120 provide that an employee or member whose insurance under the
121 group policy has been terminated for any reason, including
122 discontinuance of the group policy in its entirety or with
123 respect to an insured class, and who has been continuously
124 insured under the group policy, and under any group policy
125 providing similar benefits that the terminated group policy
126 replaced, for at least 3 months immediately prior to
127 termination, shall be entitled to have issued to him or her by
128 the insurer a policy or certificate of health insurance,
129 referred to in this section as a "converted policy." A group
130 insurer may meet the requirements of this section by contracting
131 with another insurer, authorized in this state, to issue an
132 individual converted policy, which policy has been approved by
133 the office under s. 627.410. An employee or member shall not be
134 entitled to a converted policy if termination of his or her
135 insurance under the group policy occurred because he or she
136 failed to pay any required contribution, or because any
137 discontinued group coverage was replaced by similar group
138 coverage within 31 days after discontinuance.

139 (8) BENEFITS OFFERED.—

140 (b) An insurer shall offer the benefits specified in s.
141 627.668 ~~and the benefits specified in s. 627.669~~ if those
142 benefits were provided in the group plan.

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

144 Section 4. This act shall take effect January 1, 2010, and
145 applies to policies and contracts issued or renewed on or after

597-02956-09

2009354c1

146

that date.