

By Senator Crist

12-00103A-10

2010182\_\_

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 under a group hospital and medical expense-  
23          incurred insurance policy, a group prepaid health care contract,  
24          or a group hospital and medical service plan contract shall make  
25          available to the policyholder as part of the application, for an  
26          appropriate additional premium ~~under a group hospital and~~  
27          ~~medical expense-incurred insurance policy, under a group prepaid~~  
28          ~~health care contract, and under a group hospital and medical~~  
29          ~~service plan contract,~~ the benefits or level of benefits

12-00103A-10

2010182\_\_

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

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

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

12-00103A-10

2010182

59 (a) Inpatient benefits may be limited to not less than 45  
60 ~~30~~ days per benefit year as defined in the policy or contract.  
61 If inpatient hospital benefits are provided beyond 45 ~~30~~ days  
62 per benefit year, the durational limits, dollar amounts, and  
63 coinsurance factors ~~thereto~~ need not be the same as applicable  
64 to physical illness generally.

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

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

12-00103A-10

2010182

88 inpatient hospitalization for psychiatric services, including  
89 physician fees, which prevail in the community in which the  
90 partial hospitalization services are rendered. If partial  
91 hospitalization services benefits are provided beyond the limits  
92 set forth in this paragraph, the durational limits, dollar  
93 amounts, and coinsurance factors ~~thereof~~ need not be the same as  
94 those applicable to physical illness generally.

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

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

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

114 Section 2. Paragraph (b) of subsection (8) of section  
115 627.6675, Florida Statutes, is amended to read:

116 627.6675 Conversion on termination of eligibility.—Subject

12-00103A-10

2010182

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

141 (8) BENEFITS OFFERED.—

142 (b) An insurer shall offer the benefits specified in s.  
143 627.668 ~~and the benefits specified in s. 627.669~~ if those  
144 benefits were provided in the group plan.

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

12-00103A-10

2010182\_\_

146           Section 4. This act shall take effect January 1, 2011, and  
147 applies to policies and contracts issued or renewed on or after  
148 that date.