

JAN 26 2001

COMMERCE AND REGULATION

HOUSE FILE 113

BY GRUNDBERG

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to coverage of neurobiological disorders and
2 substance abuse treatment services for state employees.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 113

1 Section 1. NEW SECTION. 509A.6A NEUROBIOLOGICAL DISORDER
2 AND SUBSTANCE ABUSE COVERAGE FOR STATE EMPLOYEES.

3 1. A state health or medical group insurance plan for
4 state employees shall provide coverage benefits for treatment
5 services for neurobiological disorders and substance abuse
6 which shall be on terms and conditions which are no more
7 restrictive than the terms and conditions for coverage
8 benefits provided for other medical conditions under such
9 plan.

10 2. For purposes of this section:

11 a. "Neurobiological disorder" means the following:

12 (1) Schizophrenia and other psychotic disorders.

13 (2) Mood disorders.

14 (3) Anxiety disorders.

15 (4) Pervasive development disorders and attention deficit.

16 b. "State employee" means a person who is a paid employee
17 of the state of Iowa, including a paid employee of the state
18 board of regents.

19 c. "State health or medical group insurance plan" means as
20 defined in section 509A.13A.

21 d. "Substance abuse" means a pattern of pathological use
22 of alcohol or a drug that causes impairment in social or
23 occupational functioning, or that produces physiological
24 dependency evidenced by physical tolerance or by physical
25 symptoms when the alcohol or drug is withdrawn.

26 3. The commissioner, by rule, shall define the
27 biologically based mental illnesses identified in subsection
28 2. Definitions established by the commissioner shall be
29 consistent with definitions provided in the most recent
30 edition of the American psychiatric association's diagnostic
31 and statistical manual of mental disorders, as such
32 definitions may be amended from time to time. The
33 commissioner may adopt the definitions provided in such manual
34 by reference.

35 4. This section shall not apply to accident only,

1 specified disease, short-term hospital or medical, hospital
2 confinement indemnity, credit, dental, vision, Medicare
3 supplement, long-term care, basic hospital and medical-
4 surgical expense coverage as defined by the commissioner,
5 disability income insurance coverage, coverage issued as a
6 supplement to liability insurance, workers' compensation or
7 similar insurance, or automobile medical payment insurance, or
8 individual accident and sickness policies issued to
9 individuals or to individual members of a member association.

10 5. A carrier, organized delivery system, or plan may
11 manage the benefits provided under this section provided
12 through common methods including, but not limited to,
13 providing payment of benefits or providing care and treatment
14 under a capitated payment system, prospective reimbursement
15 rate system, utilization control system, incentive system for
16 the use of least restrictive and least costly levels of care,
17 a preferred provider contract limiting choice of specific
18 providers, or any other system, method, or organization
19 designed to ensure that services are medically necessary and
20 clinically appropriate.

21 6. a. A plan covered under this section shall not impose
22 an aggregate annual or lifetime limit on neurobiological
23 disorder or substance abuse coverage benefits unless the plan
24 imposes an aggregate annual or lifetime limit on substantially
25 all medical and surgical coverage benefits.

26 b. A plan covered under this section that imposes an
27 aggregate annual or lifetime limit on substantially all
28 medical and surgical coverage benefits shall not impose an
29 aggregate annual or lifetime limit on neurobiological disorder
30 or substance abuse coverage benefits which is less than the
31 aggregate annual or lifetime limit imposed on substantially
32 all medical and surgical coverage benefits.

33 7. A plan covered under this section shall at a minimum
34 allow for thirty inpatient days and fifty-two outpatient
35 visits annually. The plan may also include deductibles,

1 coinsurance, or copayments, provided the amounts and extent of
2 such deductibles, coinsurance, or copayments applicable to
3 other medical or surgical services coverage under the plan are
4 the same. It is not a violation of this section if the plan
5 excludes entirely from coverage benefits for the cost of
6 providing the following:

7 a. Marital, family, educational, developmental, or
8 training services.

9 b. Care that is substantially custodial in nature.

10 c. Services and supplies that are not medically necessary
11 or clinically appropriate.

12 d. Experimental treatments.

13 8. This section applies to plans established pursuant to
14 this chapter delivered, issued for delivery, continued, or
15 renewed in this state on or after January 1, 2002.

16 EXPLANATION

17 This bill creates new Code section 509A.6A and provides
18 that a state health or medical group insurance plan for state
19 employees must provide coverage benefits for services for
20 clinical disorders related to neurobiological disorders and
21 substance abuse which are to be on terms and conditions which
22 are no more restrictive than the terms and conditions
23 associated with coverage benefits provided for other
24 conditions under such plan.

25 The bill defines "neurobiological disorder" as
26 schizophrenia and other psychotic disorders, mood disorders,
27 anxiety disorders, pervasive developmental disorders, and
28 attention deficit. The commissioner is directed to establish
29 by rule the definition of the neurobiological disorders
30 identified. The definitions established by the commissioner
31 are to be consistent with definitions provided in the most
32 recent edition of the American psychiatric association's
33 diagnostic and statistical manual of mental disorders, as such
34 definitions may be amended from time to time. The
35 commissioner may adopt the definitions provided in such manual

1 by reference.

2 "Substance abuse" is defined as a pattern of pathological
3 use of alcohol or a drug that causes impairment in social or
4 occupational functioning, or that produces physiological
5 dependency evidenced by physical tolerance or by physical
6 symptoms when the alcohol or drug is withdrawn.

7 The bill provides that a carrier, organized delivery
8 system, or plan may manage the benefits provided under Code
9 section 509A.6A through common methods including, but not
10 limited to, providing payment of benefits or providing care
11 and treatment under a capitated payment system, prospective
12 reimbursement rate system, utilization control system,
13 incentive system for the use of least restrictive and least
14 costly levels of care, a preferred provider contract limiting
15 choice of specific providers, or any other system, method, or
16 organization designed to assure services are medically
17 necessary and clinically appropriate.

18 The bill provides that the new Code section created applies
19 to public employer plans delivered, issued for delivery,
20 continued, or renewed in this state on or after January 1,
21 2002.

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