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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

A N A C T

RELATING TO INSURANCE - INSURANCE COVERAGE FOR MENTAL ILLNESS AND
SUBSTANCE USE DISORDERS

Introduced By: Representatives Serpa, Tomasso, Fellela, Ferri, and Silva

Date Introduced: April 10, 2014

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 27-38.2-1, 27-38.2-2 and 27-38.2-4 of the General Laws in
2 Chapter 27-38.2 entitled "Insurance Coverage for Mental Illness and Substance Abuse" are
3 hereby amended to read as follows:

4 **27-38.2-1. ~~Mental illness coverage~~ Coverage for the treatment of mental health and**
5 **substance use disorders. --** ~~Every health care insurer that delivers or issues for delivery or~~
6 ~~renews in this state a contract, plan, or policy except contracts providing supplemental coverage~~
7 ~~to Medicare or other governmental programs, shall provide coverage for the medical treatment of~~
8 ~~mental illness and substance abuse under the same terms and conditions as that coverage is~~
9 ~~provided for other illnesses and diseases. Insurance coverage offered pursuant to this statute must~~
10 ~~include the same durational limits, amount limits, deductibles, and co-insurance factors for~~
11 ~~mental illness as for other illnesses and diseases.~~

12 (a) A group health plan, and an individual or group health insurance plan shall provide
13 coverage for the treatment of mental health and substance use disorders under the same terms and
14 conditions as that coverage is provided for other illnesses and diseases.

15 (b) Coverage for the treatment of mental health and substance use disorders shall not
16 impose any annual or lifetime dollar limitation.

17 (c) Financial requirements and quantitative treatment limitations on coverage for the
18 treatment of mental health and substance use disorders shall be no more restrictive than the

predominant financial requirements applied to substantially all coverage for medical conditions in each treatment classification.

(d) Coverage shall not impose non-quantitative treatment limitations for the treatment of mental health and substance use disorders unless the processes, strategies, evidentiary standards, or other factors used in applying the non-quantitative treatment limitation, as written and in operation, are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used in applying the limitation with respect to medical/surgical benefits in the classification.

(e) The following classifications shall be used to apply the coverage requirements of this chapter: (1) Inpatient, in-network; (2) Inpatient, out-of-network; (3) Outpatient, in-network; (4) Outpatient, out-of-network; (5) Emergency care; and (6) Prescription drugs.

(f) Medication-assisted therapy, including methadone maintenance services, for the treatment of substance use disorders, opioid overdoses, and chronic addiction is included within the appropriate classification based on the site of the service.

27-38.2-2. Definitions. -- For the purposes of this chapter, the following words and terms have the following meanings:

(1) "Financial requirements" means deductibles, copayments, coinsurance, or out-of-pocket maximums.

(2) "Group health plan" means an employee welfare benefit plan as defined in 29 USC 1002(1) to the extent that the plan provides health benefits to employees or their dependents directly or through insurance, reimbursement, or otherwise. For purposes of this chapter, a group health plan shall not include a plan that provides health benefits directly to employees or their dependents, except in the case of a plan provided by the state or an instrumentality of the state.

(3) "Health insurance plan" means health insurance coverage offered, delivered, issued for delivery, or renewed by a health insurer.

~~(4)~~(4) "Health insurers" means all persons, firms, corporations, or other organizations offering and assuring health services on a prepaid or primarily expense-incurred basis, including but not limited to, policies of accident or sickness insurance, as defined by chapter 18 of this title; nonprofit hospital or medical service plans, whether organized under chapter 19 or 20 of this title or under any public law or by special act of the general assembly; health maintenance organizations, or any other entity ~~which~~ that insures or reimburses for diagnostic, therapeutic, or preventive services to a determined population on the basis of a periodic premium. Provided, this chapter does not apply to insurance coverage providing benefits for:

(i) Hospital confinement indemnity;

- 1 (ii) Disability income;
- 2 (iii) Accident only;
- 3 (iv) Long-term care;
- 4 (v) Medicare supplement;
- 5 (vi) Limited benefit health;
- 6 (vii) Specific disease indemnity;
- 7 (viii) Sickness or bodily injury or death by accident or both; and
- 8 (ix) Other limited benefit policies.

9 ~~(2)~~(5) "Mental ~~illness~~ health or substance use disorder" means any mental disorder and
10 substance ~~abuse~~ use disorder that is listed in the most recent revised publication or the most
11 updated volume of either the Diagnostic and Statistical Manual of Mental Disorders (DSM)
12 published by the American Psychiatric Association or the International Classification of Disease
13 Manual (ICO) published by the World Health Organization ~~and that substantially limits the life~~
14 ~~activities of the person with the illness~~; provided, that tobacco and caffeine are excluded from the
15 definition of "substance" for the purposes of this chapter. ~~"Mental illness" shall not include: (i)~~
16 ~~mental retardation, (ii) learning disorders, (iii) motor skills disorders, (iv) communication~~
17 ~~disorders, and (v) mental disorders classified as "V" codes. Nothing shall preclude persons with~~
18 ~~these conditions from receiving benefits provided under this chapter for any other diagnoses~~
19 ~~covered by this chapter.~~

20 (6) "Non-quantitative treatment limitations" means: (i) Medical management standards;
21 (ii) Formulary design and protocols; (iii) Network tier design; (iv) Standards for provider
22 admission to participate in a network; (v) Reimbursement rates and methods for determining
23 usual, customary, and reasonable charges; and (vi) Other criteria that limit scope or duration of
24 coverage for services in the treatment of mental health and substance use disorders, including
25 restrictions based on geographic location, facility type, and provider specialty.

26 (7) "Quantitative treatment limitations" means numerical limits on coverage for the
27 treatment of mental health and substance use disorders based on the frequency of treatment,
28 number of visits, days of coverage, days in a waiting period, or other similar limits on the scope
29 or duration of treatment .

30 ~~(3) "Mental illness coverage" means inpatient hospitalization, partial hospitalization~~
31 ~~provided in a hospital or any other licensed facility, intensive out patient services, outpatient~~
32 ~~services and community residential care services for substance abuse treatment. It shall not~~
33 ~~include methadone maintenance services or community residential care services for mental~~
34 ~~illnesses other than substance abuse disorders.~~

1 ~~(4) "Outpatient services" means office visits that provide for the treatment of mental~~
2 ~~illness and substance abuse.~~

3 ~~(5) "Community residential care services" mean those facilities as defined and licensed~~
4 ~~in accordance with chapter 24 of title 40.1.~~

5 **27-38.2-4. Limitations of coverage Network coverage.** -- (a) The health care benefits
6 outlined in this chapter apply only to services delivered within the ~~state of Rhode Island~~ [health](#)
7 [insurer's provider network](#); provided, that all health insurers shall be required to provide coverage
8 for those benefits mandated by this chapter outside of the ~~state of Rhode Island~~ [health insurer's](#)
9 [provider network](#) where it can be established ~~through a pre-authorization process~~ that the required
10 services are not available ~~in the state of Rhode Island~~ from a provider in the health insurer's
11 network.

12 ~~(b) For the purposes of this chapter, outpatient services, with the exception of outpatient~~
13 ~~medication visits, shall be provided for up to thirty (30) visits in any calendar year; outpatient~~
14 ~~services for substance abuse treatment shall be provided for up to thirty (30) hours in any~~
15 ~~calendar year; community residential care services for substance abuse treatment shall be~~
16 ~~provided for up to thirty (30) days in any calendar year; and detoxification benefits shall be~~
17 ~~provided for up to five (5) detoxification occurrences or thirty (30) days in any calendar year;~~
18 ~~whichever comes first.~~

19 SECTION 2. Section 27-38.2-5 of the General Laws in Chapter 27-38.2 entitled
20 "Insurance Coverage for Mental Illness and Substance Abuse" is hereby repealed.

21 ~~**27-38.2-5. Credentialing or contracting practices.** Nothing in this chapter shall be~~
22 ~~construed to require a change in the credentialing or contracting practices of health insurers for~~
23 ~~mental health or substance abuse providers.~~

24 SECTION 3. Sections 23-17.26-2 and 23-17.26-3 of the General Laws in Chapter 23-
25 17.26 entitled "Comprehensive Discharge Planning" are hereby amended to read as follows:

26 **23-17.26-2. Definitions.** -- As used in this chapter:

27 (1) "Director" means the director of department of health.

28 (2) "Department" means the department of health.

29 [\(3\) "Emergency room diversion facility" means a health care facility approved by the](#)
30 [Rhode Island department of behavioral healthcare, developmental disabilities and hospitals to act](#)
31 [as an immediate alternative to a hospital or emergency room, and which concentrates on treating](#)
32 [non-urgent substance use disorders that can be appropriately treated in alternative settings.](#)

33 [\(4\) "Health care clinic" means a health care facility licensed in accordance with chapter](#)
34 [17 of this title and that primarily delivers ambulatory care on an out-patient basis.](#)

1 ~~(5)~~ "Hospital" means a person or governmental entity licensed in accordance with
2 chapter 17 of this title to establish, maintain, and operate a hospital.

3 (6) "Urgent care center" means a health care facility licensed in accordance with chapter
4 17 of this title that primarily provides emergent health care services and urgent health care
5 services as defined in § 23-17.12-2.

6 **23-17.26-3. Comprehensive discharge planning.** -- (a) On or before July 1, 2015, each
7 hospital operating in the State of Rhode Island shall submit to the director:

8 (1) Evidence of participation in a high-quality comprehensive discharge planning and
9 transitions improvement project operated by a nonprofit organization in this state; or

10 (2) A plan for the provision of comprehensive discharge planning and information to be
11 shared with patients transitioning from the hospitals care. Such plan shall contain the adoption of
12 evidence-based practices including, but not limited to:

13 (i) Providing in-hospital education prior to discharge;

14 (ii) Ensuring patient involvement such that, at discharge, patients, and caregivers
15 understand the patient's conditions and medications and have a point of contact for follow-up
16 questions;

17 (iii) Attempting to identify patients' primary care providers and assisting with scheduling
18 post-hospital follow-up appointments prior to patient discharge;

19 (iv) Expanding the transmission of the department of health's continuity of care form, or
20 successor program, to include primary care providers' receipt of information at patient discharge
21 when the primary care provider is identified by the patient; and

22 (v) Coordinating and improving communication with outpatient providers.

23 (3) The discharge plan and transition process shall also be made for patients with opioid
24 and other substance use disorders, which plan and transition process shall include the elements
25 contained in subsections (a)(1) or (a)(2) of this section, as applicable. In addition, such discharge
26 plan and transition process shall also include:

27 (i) Assistance, with patient consent, in securing at least one follow-up appointment for
28 the patient within seven (7) days of discharge, as clinically appropriate: (A) With a facility
29 licensed by the department of behavioral healthcare, developmental disabilities and hospitals to
30 provide treatment of substance use disorders; (B) With a certified recovery coach; (C) With a
31 licensed clinician with expertise in the treatment of substance use disorders or (D) With a Rhode
32 Island licensed hospital with a designated program for the treatment of substance use disorders.
33 The patient shall be informed of said appointment prior to the patient being discharged from the
34 hospital;

1 (ii) In the absence of a scheduled follow-up appointment pursuant to subsection (a)(3)(i),
2 every reasonable effort shall be made to contact the patient within thirty (30) days post-discharge
3 to provide the patient with a referral and other such assistance as the patient needs to obtain a
4 follow-up appointment; and

5 (iii) That the patient receives information about the real-time availability of appropriate
6 in-patient and out-patient services in Rhode Island.

7 (4) On or before November 1, 2014, the director of the department of health shall develop
8 and disseminate to all hospitals, health care clinics, urgent care centers, and emergency room
9 diversion facilities a model discharge plan and transition process for patients with opioid and
10 other substance use disorders. This model plan may be used as a guide, but may be amended and
11 modified to meet the specific needs of each hospital, health care clinic, urgent care center and
12 emergency room diversion facility.

13 SECTION 4. Sections 1 and 2 of this act shall take effect upon passage and shall apply to
14 plans offered, issued or renewed after January 1, 2015. Section 3 of this act shall take effect on
15 October 1, 2014. Section 4 of this act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE - INSURANCE COVERAGE FOR MENTAL ILLNESS AND
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1 This act would require mandatory health insurance coverage for the treatment of mental
2 health and substance use disorders under the same terms and conditions that are provided for
3 other illnesses and diseases. The act establishes and defines the concept of a "mental health or
4 substance use disorder". This act would also require hospitals to amend their discharge plans and
5 transition processes to address patients with opioid and other substance use disorders. The
6 director of the department of health would be directed to develop and disseminate to all hospitals,
7 health care clinics, urgent care centers, and emergency room diversion facilities a model
8 discharge plan and transition process for patients with opioid and other substance use disorders.
9 Sections 1 and 2 of this act would take effect upon passage and would apply to plans
10 offered, issued or renewed after January 1, 2015. Section 3 of this act would take effect on
11 October 1, 2014. Section 4 of this act would take effect upon passage.

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