
The original instrument and the following digest, which does not constitute a part of the legislative instrument, was prepared by Cheryl Horne.

DIGEST

Cassidy (SB 535)

Present law provides that group, blanket, or association health insurance employee group and association health and accident policies shall include as an option to be exercised by the policyholder, the treatment of alcoholism and for the treatment of drug abuse, rendered or prescribed by a physician licensed in this state, received in any licensed hospital or in any other public or private facility, or portion thereof duly authorized by the appropriate state authority to provide alcoholism or drug abuse treatment and rehabilitation services, including freestanding, nonhospital chemical dependency units.

Proposed law requires a healthcare provider to meet a health insurance issuer's contracting and credentialing requirements in order for a policyholder or covered dependent to be eligible for in-network benefits and for a healthcare provider to be reimbursed directly by a health insurance issuer.

Proposed law retains present law and beginning on January 1, 2010, requires any group, blanket or association health insurance policy issued to an employer with fewer than 50 employees to include coverage for the treatment of mental illness, alcoholism and drug abuse. Requires coverage to be provided by a physician, clinical psychologist, clinical social worker, addiction counselor, a marriage and family therapist or public or private facility authorized by the state.

Proposed law requires the benefits to include, for employees and dependents enrolled in federally qualified high-deductible health plans, the same benefits provided for medical and surgical services. Proposed law requires the benefits to include, at a minimum, the same benefits provided to state employees by the Office of Group benefits which include inpatient and outpatient benefits and a \$200 deductible for all other employees and dependents.

Proposed law provides that upon enactment of an income tax credit equal to the additional premium to be charged for benefits required under the following provisions of proposed law, every group, blanket, or association health insurance policy shall include coverage for benefits required under the following provisions of proposed law:

- (1) Provides that health insurance issuer administering the benefits may perform or arrange for management of quality and cost of mental illness, alcoholism and drug abuse services, utilizing approaches standard in the health benefits industry as well as approaches designed specifically for such services, including but not limited to referral management, authorization and monitoring of treatment plans, pre-admission certification, concurrent review and case management.
- (2) Authorizes an insurer to provide coverage for substance abuse related services through a

specialized health care service plan or a behavioral health plan.

- (3) Provides that any increase in the premium on a policy issued pursuant to proposed law not exceed 1.5% of the total premium charged for the policy for the previous year. Provides that if the total additional premium exceeds this 1.5%, then the employer may choose not to provide the coverage required under proposed law.
- (4) Creates an "insurance parity group" composed of various representatives from enumerated organizations. Provides that the group ensure completion of an independent actuarial analysis of the cost of benefits for treatment of mental illness, alcoholism and drug abuse provided proposed law and the effect of these benefits on total benefit costs incurred by employees and dependents covered by benefits provided by employers with fewer than fifty employees. Requires that a report on this actuarial analysis be provided to the legislature no later than February 28, 2013.

Proposed law applies to policies issued or renewed or issued for delivery in this state after September 1, 2008. Provides that any insurer who, on September 1, 2008 has health and accident insurance policies or health maintenance organization subscriber agreements in force in this state shall have until September 1, 2009, to convert such existing policies to conform to the provisions in proposed law.

Effective August 15, 2008.

(Amends R.S. 22:215.5)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill.

1. Clarifies that in order for a policyholder or covered dependent to be eligible for in-network benefits and for a healthcare provider to be reimbursed directly by a health insurance issuer, such healthcare provider must meet a health insurance issuer's contracting and credentialing requirements.
2. Includes a marriage and family therapist as one of the accepted providers of treatment.