

SENATE BILL 316

Introduced by Blaylock, et al.

2/08	Introduced
2/08	Referred to Business & Industry
2/08	First Reading
2/22	Hearing
2/22	Tabled in Committee

1 *Senate* BILL NO. *316*
 2 INTRODUCED BY *Blaylock*
 3 *Thomas Stella*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR PARTIAL
 5 HOSPITALIZATION BENEFITS UNDER EXTENDED HEALTH CARE
 6 INSURANCE PROGRAMS; AMENDING COVERAGE FOR MENTAL ILLNESS,
 7 ALCOHOLISM, AND DRUG ADDICTION; AND AMENDING SECTIONS
 8 33-22-702, 33-22-703, AND 33-22-705, MCA."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 33-22-702, MCA, is amended to read:

12 "33-22-702. Definitions. For purposes of this part, the
13 following definitions apply:

- 14 (1) "Inpatient benefits" are as set forth in 33-22-705.
- 15 (2) "Outpatient benefits" are as set forth in
16 33-22-705.

17 (3) "Partial hospitalization benefits" are as set forth
18 in 33-22-705.

19 ~~{3}~~{4} "Chemical dependency treatment center" means a
20 treatment facility which:

- 21 (a) provides a program for the treatment of alcoholism
22 or drug addiction pursuant to a written treatment plan
23 approved and monitored by a physician or chemical dependency
24 counselor certified by the state; and
- 25 (b) is licensed or approved as a treatment center by

1 the department of institutions under 53-24-208.

2 ~~{4}~~{5} "Mental health treatment center" means a
3 treatment facility organized to provide care and treatment
4 for mental illness through multiple modalities or techniques
5 pursuant to a written treatment plan approved and monitored
6 by an interdisciplinary team, including a licensed
7 physician, psychiatric social worker, and psychologist, and
8 which facility is also:

- 9 (a) licensed as a mental health treatment center by the
10 state;
- 11 (b) funded or eligible for funding under federal or
12 state law; or
- 13 (c) affiliated with a hospital under a contractual
14 agreement with an established system for patient referral.

15 ~~{5}~~{6} "Mental illness" means neurosis, psychoneurosis,
16 psychopathy, psychosis, or personality disorder."

17 **Section 2.** Section 33-22-703, MCA, is amended to read:

18 "33-22-703. Coverage for mental illness, alcoholism,
19 and drug addiction. Insurers, health service corporations,
20 or any employees' health and welfare fund that provides
21 accident and health insurance benefits to residents of this
22 state under group health insurance or group health plans
23 shall provide, for Montana residents covered under hospital
24 and medical expenses incurred insurance group policies and
25 under hospital and medical service plan group contracts, the



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1 level of benefits specified in this section for the
 2 necessary care and treatment of mental illness, alcoholism,
 3 and drug addiction, subject to the right of the applicant to
 4 select any alternative level of benefits above the minimum
 5 level of benefits described in subsections (1)(b), (2)(a),
 6 (2)(b), and (2)(d) as may be offered by the insurer or
 7 health service corporation:

8 (1) under basic inpatient expense policies or
 9 contracts, inpatient hospital benefits consisting of
 10 durational limits, dollar limits, deductibles, and
 11 coinsurance factors that are not less favorable than for
 12 physical illness generally, except that:

13 (a) benefits may be limited to not less than 30
 14 calendar days per year as defined in the policy or contract;

15 (b) the aggregate maximum benefit for alcoholism and
 16 drug addiction of inpatient expenses under basic inpatient
 17 policies and contracts plus inpatient expenses under major
 18 medical policies and contracts may be limited to no less
 19 than:

20 (i) \$4,000 in any 24-month period; and

21 (ii) \$8,000 in lifetime benefits;

22 (2) under major medical policies or contracts,
 23 inpatient benefits and outpatient benefits consisting of
 24 durational limits, dollar limits, deductibles, and
 25 coinsurance factors that are not less favorable than for

1 physical illness generally, except that:

2 (a) inpatient benefits may be limited to no less than
 3 30 calendar days per year as defined in the policy or
 4 contract. If inpatient benefits are provided beyond ~~30~~ 21
 5 calendar days per year, the durational limits, dollar
 6 limits, deductibles, and coinsurance factors applicable
 7 thereto need not be the same as applicable to physical
 8 illness generally.

9 (b) for outpatient benefits, the coinsurance factor may
 10 not exceed 50% or the coinsurance factor applicable for
 11 physical illness generally, whichever is greater, and the
 12 maximum benefit for mental illness, alcoholism, and drug
 13 addiction in the aggregate during any applicable benefit
 14 period may be limited to not less than ~~\$17,000~~ \$5,000;

15 (c) maximum lifetime benefits shall, for mental illness
 16 in the aggregate, be no less than those applicable to
 17 physical illness generally;

18 (d) the aggregate maximum benefit for alcoholism and
 19 drug addiction of inpatient expenses under basic inpatient
 20 policies and contracts plus inpatient expenses under major
 21 medical policies and contracts may be limited to no less
 22 than:

23 (i) \$4,000 in any 24-month period; and

24 (ii) \$8,000 in lifetime benefits."

25 **Section 3.** Section 33-22-705, MCA, is amended to read:

1 "33-22-705. Inpatient and, outpatient, and partial
 2 hospitalization benefits. (1) "Inpatient benefits" are
 3 benefits payable for charges made by a hospital or
 4 freestanding inpatient facility for the necessary care and
 5 treatment of mental illness, alcoholism, or drug addiction
 6 furnished to a covered person while confined as an inpatient
 7 and, with respect to major medical policies or contracts,
 8 also includes those benefits payable for charges made by a
 9 physician for the necessary care and treatment of mental
 10 illness, alcoholism, or drug addiction furnished to a
 11 covered person while confined as an inpatient. Care and
 12 treatment of alcoholism or drug addiction in a freestanding
 13 inpatient facility must be in a chemical dependency
 14 treatment center that is approved by the department of
 15 institutions under 53-24-208.

16 (2) "Outpatient benefits" are benefits payable for:

17 (a) reasonable charges made by a hospital for the
 18 necessary care and treatment of mental illness, alcoholism,
 19 or drug addiction furnished to a covered person while not
 20 confined as an inpatient;

21 (b) reasonable charges for services rendered or
 22 prescribed by a physician for the necessary care and
 23 treatment of mental illness, alcoholism, or drug addiction
 24 furnished to a covered person while not confined as an
 25 inpatient;

1 (c) reasonable charges made by a mental health or
 2 chemical dependency treatment center for the necessary care
 3 and treatment of a covered person provided in the treatment
 4 center. The chemical dependency treatment center must be
 5 approved by the department of institutions under 53-24-208.

6 (d) reasonable charges for services rendered by a
 7 licensed psychiatrist, psychologist, licensed professional
 8 counselor, licensed social worker, or chemical dependency
 9 counselor certified by the department of institutions under
 10 53-24-204.

11 (3) "Partial hospitalization benefits" are related to
 12 outpatient programs that include a variety of therapeutic
 13 components designed to reduce the need for inpatient care.
 14 The programs usually include medication management, case
 15 management, crisis intervention, psychotherapy, and
 16 vocational and social rehabilitation. Partial
 17 hospitalization benefits are payable for:

18 (a) reasonable charges made by a hospital for the
 19 necessary care and treatment of mental illness, alcoholism,
 20 or drug addiction furnished to a covered person while not
 21 confined as an inpatient;

22 (b) reasonable charges for services rendered or
 23 prescribed by a physician for the necessary care and
 24 treatment of mental illness, alcoholism, or drug addiction
 25 furnished to a covered person while not confined as an

1 inpatient;
2 (c) reasonable charges made by a mental health or
3 chemical dependency treatment center for the necessary care
4 and treatment of a covered person provided in a treatment
5 center; or
6 (d) reasonable charges for services rendered by a
7 licensed psychiatrist, licensed psychologist, licensed
8 professional counselor, licensed social worker, or chemical
9 dependency counselor certified by the department of
10 institutions under 53-24-204."

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