

HCS HB 855 -- HEALTH INSURANCE (Holand)

This substitute changes the laws regarding insurance coverage for mental illness and chemical dependency. In its main provisions, the substitute:

(1) Requires all health plans or policies that are individually underwritten or that provide coverage for specific individuals and their family members to provide coverage for the treatment of alcoholism. Various group policies are excluded from this requirement. This provision becomes effective January 1, 2005;

(2) Revises provisions contained in Sections 376.810 - 376.814, RSMo, pertaining to the offer of insurance coverage for the treatment of chemical dependency. This provision requires all health plans or policies that are individually underwritten or that provide coverage for specific individuals and their family members to provide coverage for the treatment of chemical dependency. Various group policies are excluded from this requirement; and

(3) Revises provisions contained in Sections 376.825 - 376.840, the Mental Health and Chemical Dependency Insurance Act. All health plans or policies that are individually underwritten or that provide coverage for specific individuals and their family members can offer the coverage listed in this section. Various group policies are excluded from this requirement. This provision becomes effective January 1, 2005.

The substitute also requires health carriers that offer health benefit plans in this state on or after January 1, 2005, to provide coverage for mental health conditions. Mental health conditions are defined as those listed in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders. Coverage for mental health conditions cannot have rates, terms, or conditions that place a greater financial burden on an insured for mental health treatment than for physical health treatment. This provision does not apply to certain insurance policies, including individually underwritten insurance policies.

FISCAL NOTE: No impact on General Revenue Fund in FY 2005, FY 2006, and FY 2007. Estimated Cost on Other State Funds of \$145,209 in FY 2005, \$315,610 in FY 2006, and \$325,079 in FY 2007.