	774792
--	--------

LEGISLATIVE ACTION

Senate Comm: RCS 02/06/2018 House

The Committee on Banking and Insurance (Rouson) recommended the following:

Senate Amendment (with title amendment)

Delete lines 96 - 304

and insert:

1 2 3

4

5

6 7

8

10

2008 (MHPAEA), and any federal guidance or regulations relating to MHPAEA, including, but not limited to, 45 C.F.R. s. 146.136, 45 C.F.R. s. 147.160, and 45 C.F.R. s. 156.115(a)(3). Section 2. Paragraph (b) of subsection (8) of section

9 627.6675, Florida Statutes, is amended to read:

627.6675 Conversion on termination of eligibility.-Subject

Page 1 of 10



11 to all of the provisions of this section, a group policy 12 delivered or issued for delivery in this state by an insurer or 13 nonprofit health care services plan that provides, on an 14 expense-incurred basis, hospital, surgical, or major medical expense insurance, or any combination of these coverages, shall 15 16 provide that an employee or member whose insurance under the 17 group policy has been terminated for any reason, including 18 discontinuance of the group policy in its entirety or with respect to an insured class, and who has been continuously 19 20 insured under the group policy, and under any group policy 21 providing similar benefits that the terminated group policy 22 replaced, for at least 3 months immediately prior to 23 termination, shall be entitled to have issued to him or her by 24 the insurer a policy or certificate of health insurance, 25 referred to in this section as a "converted policy." A group 26 insurer may meet the requirements of this section by contracting 27 with another insurer, authorized in this state, to issue an 28 individual converted policy, which policy has been approved by the office under s. 627.410. An employee or member shall not be 29 30 entitled to a converted policy if termination of his or her 31 insurance under the group policy occurred because he or she 32 failed to pay any required contribution, or because any 33 discontinued group coverage was replaced by similar group 34 coverage within 31 days after discontinuance.

39

(8) BENEFITS OFFERED.-

(b) An insurer shall offer the benefits specified in <u>s.</u> <u>627.4193</u> s. 627.668 and the benefits specified in s. 627.669 if those benefits were provided in the group plan. Section 3. Section 627.668, Florida Statutes, is

597-02884-18



40 transferred, renumbered as section 627.4193, Florida Statutes, and amended, to read: 41 42 627.4193 627.668 Requirements for mental health and 43 substance use disorder benefits; reporting requirements Optional 44 coverage for mental and nervous disorders required; exception.-45 (1) Every insurer, health maintenance organization, and 46 nonprofit hospital and medical service plan corporation 47 transacting individual or group health insurance or providing prepaid health care in this state must comply with the federal 48 49 Paul Wellstone and Pete Domenici Mental Health Parity and 50 Addiction Equity Act of 2008 (MHPAEA) and any regulations 51 relating to MHPAEA, including, but not limited to, 45 C.F.R. s. 146.136, 45 C.F.R. s. 147.160, and 45 C.F.R. s. 156.115(a)(3); 52 53 and must provide shall make available to the policyholder as 54 part of the application, for an appropriate additional premium 55 under a group hospital and medical expense-incurred insurance 56 policy, under a group prepaid health care contract, and under a group hospital and medical service plan contract, the benefits 57 58 or level of benefits specified in subsection (2) for the 59 necessary care and treatment of mental and nervous disorders, 60 including substance use disorders, as defined in the Diagnostic 61 and Statistical Manual of Mental Disorders, Fifth Edition, 62 published by standard nomenclature of the American Psychiatric 63 Association, subject to the right of the applicant for a group 64 policy or contract to select any alternative benefits or level 65 of benefits as may be offered by the insurer, health maintenance 66 organization, or service plan corporation provided that, if 67 alternate inpatient, outpatient, or partial hospitalization 68 benefits are selected, such benefits shall not be less than the

71 72

73

74

75

76

77 78

79

80

81

82

83

84

85

86 87

88

89 90

91



69 level of benefits required under paragraph (2)(a), paragraph 70 (2)(b), or paragraph (2)(c), respectively.

(2) Under <u>individual or</u> group policies or contracts, inpatient hospital benefits, partial hospitalization benefits, and outpatient benefits consisting of durational limits, dollar amounts, deductibles, and coinsurance factors <u>may</u> shall not be less favorable than for physical illness, in accordance with 45 C.F.R. s. 146.136(c)(2) and (3) generally, except that:

(a) Inpatient benefits may be limited to not less than 30 days per benefit year as defined in the policy or contract. If inpatient hospital benefits are provided beyond 30 days per benefit year, the durational limits, dollar amounts, and coinsurance factors thereto need not be the same as applicable to physical illness generally.

(b) Outpatient benefits may be limited to \$1,000 for consultations with a licensed physician, a psychologist licensed pursuant to chapter 490, a mental health counselor licensed pursuant to chapter 491, a marriage and family therapist licensed pursuant to chapter 491, and a clinical social worker licensed pursuant to chapter 491. If benefits are provided beyond the \$1,000 per benefit year, the durational limits, dollar amounts, and coinsurance factors thereof need not be the same as applicable to physical illness generally.

92 (c) Partial hospitalization benefits shall be provided 93 under the direction of a licensed physician. For purposes of 94 this part, the term "partial hospitalization services" is 95 defined as those services offered by a program that is 96 accredited by an accrediting organization whose standards 97 incorporate comparable regulations required by this state.

Page 4 of 10

597-02884-18

COMMITTEE AMENDMENT

Florida Senate - 2018 Bill No. SB 1422



98 Alcohol rehabilitation programs accredited by an accrediting 99 organization whose standards incorporate comparable regulations 100 required by this state or approved by the state and licensed 101 drug abuse rehabilitation programs shall also be gualified 102 providers under this section. In a given benefit year, if 103 partial hospitalization services or a combination of inpatient and partial hospitalization are used, the total benefits paid 104 105 for all such services may not exceed the cost of 30 days after 106 inpatient hospitalization for psychiatric services, including 107 physician fees, which prevail in the community in which the 108 partial hospitalization services are rendered. If partial 109 hospitalization services benefits are provided beyond the limits 110 set forth in this paragraph, the durational limits, dollar 111 amounts, and coinsurance factors thereof need not be the same as 112 those applicable to physical illness generally. 113

(3) Insurers must maintain strict confidentiality regarding psychiatric and psychotherapeutic records submitted to an insurer for the purpose of reviewing a claim for benefits payable under this section. These records submitted to an insurer are subject to the limitations of s. 456.057, relating to the furnishing of patient records.

(4) Every insurer, health maintenance organization, and nonprofit hospital and medical service plan corporation transacting individual or group health insurance or providing prepaid health care in this state shall submit an annual report to the office, on or before July 1, which contains all of the following information:

125 (a) A description of the process used to develop or select 126 the medical necessity criteria for:

114

115 116

117

118 119

120

121

122

123

124

774792

127 1. Mental or nervous disorder benefits; 128 2. Substance use disorder benefits; and 129 3. Medical and surgical benefits. 130 (b) Identification of all nonquantitative treatment 131 limitations (NQTLs) applied to both mental or nervous disorder and substance use disorder benefits and medical and surgical 132 133 benefits. Within any classification of benefits, there may not 134 be separate NQTLs that apply to mental or nervous disorder and 135 substance use disorder benefits but do not apply to medical and 136 surgical benefits. 137 (c) The results of an analysis demonstrating that for the 138 medical necessity criteria described in paragraph (a) and for 139 each NQTL identified in paragraph (b), as written and in 140 operation, the processes, strategies, evidentiary standards, or 141 other factors used to apply the criteria and NQTLs to mental or 142 nervous disorder and substance use disorder benefits are 143 comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors 144 145 used to apply the criteria and NQTLs, as written and in 146 operation, to medical and surgical benefits. At a minimum, the 147 results of the analysis must: 1. Identify the factors used to determine that an NQTL will 148 149 apply to a benefit, including factors that were considered but 150 rejected; 151 2. Identify and define the specific evidentiary standards 152 used to define the factors and any other evidentiary standards 153 relied upon in designing each NQTL; 154 3. Identify and describe the methods and analyses used, 155 including the results of the analyses, to determine that the

774792

156 processes and strategies used to design each NQTL, as written, for mental or nervous disorder and substance use disorder 157 158 benefits are comparable to, and no more stringently applied 159 than, the processes and strategies used to design each NQTL, as 160 written, for medical and surgical benefits; 161 4. Identify and describe the methods and analyses used, 162 including the results of the analyses, to determine that 163 processes and strategies used to apply each NQTL, in operation, 164 for mental or nervous disorder and substance use disorder 165 benefits are comparable to and no more stringently applied than 166 the processes or strategies used to apply each NQTL, in 167 operation, for medical and surgical benefits; and 168 5. Disclose the specific findings and conclusions reached 169 by the insurer, health maintenance organization, or nonprofit 170 hospital and medical service plan corporation that the results 171 of the analyses indicate that the insurer, health maintenance organization, or nonprofit hospital and medical service plan 172 173 corporation is in compliance with this section; MHPAEA; and any 174 regulations relating to MHPAEA, including, but not limited to, 175 45 C.F.R. s. 146.136, 45 C.F.R. s. 147.160, and 45 C.F.R. s. 176 156.115(a)(3). (5) The office shall implement and enforce applicable 177 178 provisions of MHPAEA and federal guidance or regulations relating to MHPAEA, including, but not limited to, 45 C.F.R. s. 179 180 146.136, 45 C.F.R. s. 147.160, and 45 C.F.R. s. 156.115(a)(3), 181 and this section, which includes: 182 (a) Ensuring compliance by each insurer, health maintenance 183 organization, and nonprofit hospital and medical service plan 184 corporation transacting individual or group health insurance or

774792

185 providing prepaid health care in this state. (b) Detecting violations by any insurer, health maintenance 186 organization, or nonprofit hospital and medical service plan 187 188 corporation transacting individual or group health insurance or 189 providing prepaid health care in this state. 190 (c) Accepting, evaluating, and responding to complaints 191 regarding potential violations. 192 (d) Reviewing, from consumer complaints, for possible 193 parity violations regarding mental or nervous disorder and 194 substance use disorder coverage. (e) Performing parity compliance market conduct 195 examinations, which include, but are not limited to, reviews of 196 197 medical management practices, network adequacy, reimbursement 198 rates, prior authorizations, and geographic restrictions of 199 insurers, health maintenance organizations, and nonprofit 200 hospital and medical service plan corporations transacting 201 individual or group health insurance or providing prepaid health 202 care in this state. 203 (6) No later than December 31 of each year, the office 204 shall issue a report to the Legislature which describes the 205 methodology the office is using to check for compliance with 206 MHPAEA; any federal quidance or regulations that relate to 207 MHPAEA, including, but not limited to, 45 C.F.R. s. 146.136, 45 2.08 C.F.R. s. 147.160, and 45 C.F.R. s. 156.115(a)(3); and this 209 section. The report must be written in nontechnical and readily 210 understandable language and must be made available to the public by posting the report on the office's website and by other means 211 212 the office finds appropriate. 213 Section 4. Section 627.669, Florida Statutes, is repealed.



215	214	
217Delete lines 10 - 31218and insert:219F.S.; conforming a provision to changes made by the220act; transferring, renumbering, and amending s.221627.668, F.S.; deleting certain provisions that222require insurers, health maintenance organizations,233and nonprofit hospital and medical service plan244organizations transacting group health insurance or255providing prepaid health care to offer specified266optional coverage for mental and nervous disorders;277requiring such entities transacting individual or288group health insurance or providing prepaid health299care to comply with specified provisions prohibiting210the imposition of less favorable benefit limitations211on mental health and substance use disorders;212requiring such entities to submit a specified annual215requiring such entities to submit a specified annual216requiring such entities to submit a specified annual217requiring such entities to submit a specified annual218requiring such entities to submit a specified annual219to implement and enforce specified federal provisions,211guidance, and regulation; specifying actions the212office must take relating to such implementation and213enforcement; requiring the office to issue a specified214annual report to the Legislature; repealing s.	215	=========== T I T L E A M E N D M E N T =================================
218and insert:219F.S.; conforming a provision to changes made by the220act; transferring, renumbering, and amending s.221627.668, F.S.; deleting certain provisions that222require insurers, health maintenance organizations,233and nonprofit hospital and medical service plan244organizations transacting group health insurance or255providing prepaid health care to offer specified266optional coverage for mental and nervous disorders;277requiring such entities transacting individual or28group health insurance or providing prepaid health29care to comply with specified provisions prohibiting210the imposition of less favorable benefit limitations211on mental health and substance use disorder benefits212than on medical and surgical benefits; revising the213standard for defining substance use disorders;214requiring such entities to submit a specified annual215requiring such entities to submit a specified annual216office of Insurance Regulation; requiring the office217to implement and enforce specified federal provisions,218guidance, and regulations; specifying actions the219office must take relating to such implementation and210enforcement; requiring the office to issue a specified211annual report to the Legislature; repealing s.	216	And the title is amended as follows:
219F.S.; conforming a provision to changes made by the220act; transferring, renumbering, and amending s.221627.668, F.S.; deleting certain provisions that222require insurers, health maintenance organizations,223and nonprofit hospital and medical service plan224organizations transacting group health insurance or225providing prepaid health care to offer specified226optional coverage for mental and nervous disorders;227requiring such entities transacting individual or228group health insurance or providing prepaid health229care to comply with specified provisions prohibiting230the imposition of less favorable benefit limitations231on mental health and substance use disorders;232than on medical and surgical benefits; revising the233standard for defining substance use disorders;234requiring such entities to submit a specified annual235report relating to parity between such benefits to the236Office of Insurance Regulation; requiring the office237to implement and enforce specified federal provisions,238guidance, and regulations; specifying actions the239office must take relating to such implementation and240enforcement; requiring the office to issue a specified241annual report to the Legislature; repealing s.	217	Delete lines 10 - 31
220act; transferring, renumbering, and amending s.221627.668, F.S.; deleting certain provisions that222require insurers, health maintenance organizations,223and nonprofit hospital and medical service plan224organizations transacting group health insurance or225providing prepaid health care to offer specified226optional coverage for mental and nervous disorders;227requiring such entities transacting individual or228group health insurance or providing prepaid health229care to comply with specified provisions prohibiting230the imposition of less favorable benefit limitations231on mental health and substance use disorder benefits232than on medical and surgical benefits; revising the233standard for defining substance use disorders;234requiring such entities to submit a specified annual235report relating to parity between such benefits to the236Office of Insurance Regulation; requiring the office237to implement and enforce specified federal provisions,238guidance, and regulations; specifying actions the239office must take relating to such implementation and240enforcement; requiring the office to issue a specified241annual report to the Legislature; repealing s.	218	and insert:
627.668, F.S.; deleting certain provisions that require insurers, health maintenance organizations, and nonprofit hospital and medical service plan organizations transacting group health insurance or providing prepaid health care to offer specified optional coverage for mental and nervous disorders; requiring such entities transacting individual or group health insurance or providing prepaid health care to comply with specified provisions prohibiting the imposition of less favorable benefit limitations on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	219	F.S.; conforming a provision to changes made by the
require insurers, health maintenance organizations, and nonprofit hospital and medical service plan organizations transacting group health insurance or providing prepaid health care to offer specified optional coverage for mental and nervous disorders; requiring such entities transacting individual or group health insurance or providing prepaid health care to comply with specified provisions prohibiting the imposition of less favorable benefit limitations on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	220	act; transferring, renumbering, and amending s.
and nonprofit hospital and medical service plan organizations transacting group health insurance or providing prepaid health care to offer specified optional coverage for mental and nervous disorders; requiring such entities transacting individual or group health insurance or providing prepaid health care to comply with specified provisions prohibiting the imposition of less favorable benefit limitations on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	221	627.668, F.S.; deleting certain provisions that
224organizations transacting group health insurance or225providing prepaid health care to offer specified226optional coverage for mental and nervous disorders;227requiring such entities transacting individual or228group health insurance or providing prepaid health229care to comply with specified provisions prohibiting230the imposition of less favorable benefit limitations231on mental health and substance use disorder benefits232than on medical and surgical benefits; revising the233standard for defining substance use disorders;234requiring such entities to submit a specified annual235report relating to parity between such benefits to the236Office of Insurance Regulation; requiring the office237to implement and enforce specified federal provisions,238guidance, and regulations; specifying actions the239office must take relating to such implementation and240enforcement; requiring the office to issue a specified241annual report to the Legislature; repealing s.	222	require insurers, health maintenance organizations,
225providing prepaid health care to offer specified226optional coverage for mental and nervous disorders;227requiring such entities transacting individual or228group health insurance or providing prepaid health229care to comply with specified provisions prohibiting230the imposition of less favorable benefit limitations231on mental health and substance use disorder benefits232than on medical and surgical benefits; revising the233standard for defining substance use disorders;234requiring such entities to submit a specified annual235report relating to parity between such benefits to the236Office of Insurance Regulation; requiring the office237to implement and enforce specified federal provisions,238guidance, and regulations; specifying actions the239office must take relating to such implementation and240enforcement; requiring the office to issue a specified241annual report to the Legislature; repealing s.	223	and nonprofit hospital and medical service plan
226optional coverage for mental and nervous disorders;227requiring such entities transacting individual or228group health insurance or providing prepaid health229care to comply with specified provisions prohibiting230the imposition of less favorable benefit limitations231on mental health and substance use disorder benefits232than on medical and surgical benefits; revising the233standard for defining substance use disorders;234requiring such entities to submit a specified annual235report relating to parity between such benefits to the236Office of Insurance Regulation; requiring the office237to implement and enforce specified federal provisions,238guidance, and regulations; specifying actions the239office must take relating to such implementation and240enforcement; requiring the office to issue a specified241annual report to the Legislature; repealing s.	224	organizations transacting group health insurance or
requiring such entities transacting individual or group health insurance or providing prepaid health care to comply with specified provisions prohibiting the imposition of less favorable benefit limitations on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	225	providing prepaid health care to offer specified
group health insurance or providing prepaid health care to comply with specified provisions prohibiting the imposition of less favorable benefit limitations on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	226	optional coverage for mental and nervous disorders;
care to comply with specified provisions prohibiting the imposition of less favorable benefit limitations on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	227	requiring such entities transacting individual or
the imposition of less favorable benefit limitations on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	228	group health insurance or providing prepaid health
 on mental health and substance use disorder benefits than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s. 	229	care to comply with specified provisions prohibiting
than on medical and surgical benefits; revising the standard for defining substance use disorders; requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	230	the imposition of less favorable benefit limitations
233 standard for defining substance use disorders; 234 requiring such entities to submit a specified annual 235 report relating to parity between such benefits to the 236 Office of Insurance Regulation; requiring the office 237 to implement and enforce specified federal provisions, 238 guidance, and regulations; specifying actions the 239 office must take relating to such implementation and 240 enforcement; requiring the office to issue a specified 241 annual report to the Legislature; repealing s.	231	on mental health and substance use disorder benefits
requiring such entities to submit a specified annual report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	232	than on medical and surgical benefits; revising the
report relating to parity between such benefits to the Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	233	standard for defining substance use disorders;
Office of Insurance Regulation; requiring the office to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	234	requiring such entities to submit a specified annual
to implement and enforce specified federal provisions, guidance, and regulations; specifying actions the office must take relating to such implementation and enforcement; requiring the office to issue a specified annual report to the Legislature; repealing s.	235	report relating to parity between such benefits to the
238 guidance, and regulations; specifying actions the 239 office must take relating to such implementation and 240 enforcement; requiring the office to issue a specified 241 annual report to the Legislature; repealing s.	236	Office of Insurance Regulation; requiring the office
239 office must take relating to such implementation and 240 enforcement; requiring the office to issue a specified 241 annual report to the Legislature; repealing s.	237	to implement and enforce specified federal provisions,
<pre>240 enforcement; requiring the office to issue a specified 241 annual report to the Legislature; repealing s.</pre>	238	guidance, and regulations; specifying actions the
241 annual report to the Legislature; repealing s.	239	office must take relating to such implementation and
	240	enforcement; requiring the office to issue a specified
242 627.669, F.S., relating to optional coverage required	241	annual report to the Legislature; repealing s.
	242	627.669, F.S., relating to optional coverage required



243 for substance abuse impaired persons; providing an 244 effective