99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB2245

Introduced 1/27/2016, by Sen. Julie A. Morrison

SYNOPSIS AS INTRODUCED:

215 ILCS 5/370c from Ch. 73, par. 982c

Amends the Illinois Insurance Code. Requires every insurer that amends, delivers, issues, or renews a group or individual policy of accident and health insurance, a managed care plan, or a qualified health plan offered for sale through the health insurance marketplace in this State providing coverage for hospital or medical treatment to provide coverage based upon medical necessity for the treatment of eating disorders. Provides that "eating disorder" includes, but is not limited to, anorexia nervosa, bulimia nervosa, pica, rumination disorder, advoidant/restrictive food intake disorder, other specified feeding or eating disorder (OSFED), and any other eating disorder contained in the most recent version of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association. Effective immediately.

LRB099 15635 AMC 39928 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 370c as follows:

6 (215 ILCS 5/370c) (from Ch. 73, par. 982c)
7 Sec. 370c. Mental and emotional disorders.
8 (a) (1) On and after the effective date of this amendatory
9 Act of the 97th General Assembly, every insurer which amends,
10 delivers, issues, or renews group accident and health policies
11 providing coverage for hospital or medical treatment or
12 services for illness on an expense-incurred basis shall offer
13 to the applicant or group policyholder subject to the insurer's
14 standards of insurability, coverage for reasonable and
15 necessary treatment and services for mental, emotional or
16 nervous disorders or conditions, other than serious mental
17 illnesses as defined in item (2) of subsection (b), consistent
18 with the parity requirements of Section 370c.1 of this Code.
19 (2) Each insured that is covered for mental, emotional,
20 nervous, or substance use disorders or conditions shall be free
21 to select the physician licensed to practice medicine in all
22 its branches, licensed clinical psychologist, licensed
23 clinical social worker, licensed clinical professional

1 counselor, licensed marriage and family therapist, licensed
2 speech-language pathologist, or other licensed or certified
3 professional at a program licensed pursuant to the Illinois
4 Alcoholism and Other Drug Abuse and Dependency Act of his
5 choice to treat such disorders, and the insurer shall pay the
6 covered charges of such physician licensed to practice medicine
7 in all its branches, licensed clinical psychologist, licensed
8 clinical social worker, licensed clinical professional
9 counselor, licensed marriage and family therapist, licensed
10 speech-language pathologist, or other licensed or certified
11 professional at a program licensed pursuant to the Illinois
12 Alcoholism and Other Drug Abuse and Dependency Act up to the
13 limits of coverage, provided (i) the disorder or condition
14 treated is covered by the policy, and (ii) the physician,
15 licensed psychologist, licensed clinical social worker,
16 licensed clinical professional counselor, licensed marriage
17 and family therapist, licensed speech-language pathologist, or
18 other licensed or certified professional at a program licensed
19 pursuant to the Illinois Alcoholism and Other Drug Abuse and
20 Dependency Act is authorized to provide said services under the
21 statutes of this State and in accordance with accepted
22 principles of his profession.

23 (3) Insofar as this Section applies solely to licensed
24 clinical social workers, licensed clinical professional
25 counselors, licensed marriage and family therapists, licensed
26 speech-language pathologists, and other licensed or certified

1 professionals at programs licensed pursuant to the Illinois
2 Alcoholism and Other Drug Abuse and Dependency Act, those
3 persons who may provide services to individuals shall do so
4 after the licensed clinical social worker, licensed clinical
5 professional counselor, licensed marriage and family
6 therapist, licensed speech-language pathologist, or other
7 licensed or certified professional at a program licensed
8 pursuant to the Illinois Alcoholism and Other Drug Abuse and
9 Dependency Act has informed the patient of the desirability of
10 the patient conferring with the patient's primary care
11 physician and the licensed clinical social worker, licensed
12 clinical professional counselor, licensed marriage and family
13 therapist, licensed speech-language pathologist, or other
14 licensed or certified professional at a program licensed
15 pursuant to the Illinois Alcoholism and Other Drug Abuse and
16 Dependency Act has provided written notification to the
17 patient's primary care physician, if any, that services are
18 being provided to the patient. That notification may, however,
19 be waived by the patient on a written form. Those forms shall
20 be retained by the licensed clinical social worker, licensed
21 clinical professional counselor, licensed marriage and family
22 therapist, licensed speech-language pathologist, or other
23 licensed or certified professional at a program licensed
24 pursuant to the Illinois Alcoholism and Other Drug Abuse and
25 Dependency Act for a period of not less than 5 years.
26 (b) (1) An insurer that provides coverage for hospital or

medical expenses under a group policy of accident and health insurance or health care plan amended, delivered, issued, or renewed on or after the effective date of this amendatory Act of the 97th General Assembly shall provide coverage under the policy for treatment of serious mental illness and substance use disorders consistent with the parity requirements of Section 370c.1 of this Code. This subsection does not apply to any group policy of accident and health insurance or health care plan for any plan year of a small employer as defined in Section 5 of the Illinois Health Insurance Portability and Accountability Act.

(1.5) On and after the effective date of this amendatory Act of the 99th General Assembly, every insurer that amends, delivers, issues, or renews a group or individual policy of accident and health insurance, a managed care plan, or a qualified health plan offered for sale through the health insurance marketplace in this State providing coverage for hospital or medical treatment shall provide coverage based upon medical necessity for the treatment of eating disorders consistent with the parity requirements of Section 370c.1 of this Code.

For the purposes of this item (1.5), "eating disorder" includes, but is not limited to, anorexia nervosa, bulimia nervosa, pica, rumination disorder, advoidant/restrictive food intake disorder, other specified feeding or eating disorder (OSFED), and any other eating disorder contained in the most

recent version of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association.

(2) "Serious mental illness" means the following psychiatric illnesses as defined in the most current edition of the Diagnostic and Statistical Manual (DSM) published by the American Psychiatric Association:

(A) schizophrenia;

(B) paranoid and other psychotic disorders;

(C) bipolar disorders (hypomanic, manic, depressive, and mixed);

(D) major depressive disorders (single episode or recurrent);

(E) schizoaffective disorders (bipolar or depressive);

(F) pervasive developmental disorders;

(G) obsessive-compulsive disorders;

(H) depression in childhood and adolescence;

(I) panic disorder;

(J) post-traumatic stress disorders (acute, chronic, or with delayed onset); and

(K) anorexia nervosa and bulimia nervosa.

(2.5) "Substance use disorder" means the following mental disorders as defined in the most current edition of the Diagnostic and Statistical Manual (DSM) published by the American Psychiatric Association:

(A) substance abuse disorders;

1 (B) substance dependence disorders; and
2 (C) substance induced disorders.
3 (3) Unless otherwise prohibited by federal law and
4 consistent with the parity requirements of Section 370c.1 of
5 this Code, the reimbursing insurer, a provider of treatment of
6 serious mental illness or substance use disorder shall furnish
7 medical records or other necessary data that substantiate that
8 initial or continued treatment is at all times medically
9 necessary. An insurer shall provide a mechanism for the timely
10 review by a provider holding the same license and practicing in
11 the same specialty as the patient's provider, who is
12 unaffiliated with the insurer, jointly selected by the patient
13 (or the patient's next of kin or legal representative if the
14 patient is unable to act for himself or herself), the patient's
15 provider, and the insurer in the event of a dispute between the
16 insurer and patient's provider regarding the medical necessity
17 of a treatment proposed by a patient's provider. If the
18 reviewing provider determines the treatment to be medically
19 necessary, the insurer shall provide reimbursement for the
20 treatment. Future contractual or employment actions by the
21 insurer regarding the patient's provider may not be based on
22 the provider's participation in this procedure. Nothing
23 prevents the insured from agreeing in writing to continue
24 treatment at his or her expense. When making a determination of
25 the medical necessity for a treatment modality for serious
26 mental illness or substance use disorder, an insurer must make

1 the determination in a manner that is consistent with the
2 manner used to make that determination with respect to other
3 diseases or illnesses covered under the policy, including an
4 appeals process. Medical necessity determinations for
5 substance use disorders shall be made in accordance with
6 appropriate patient placement criteria established by the
7 American Society of Addiction Medicine. No additional criteria
8 may be used to make medical necessity determinations for
9 substance use disorders.

10 (4) A group health benefit plan amended, delivered, issued,
11 or renewed on or after the effective date of this amendatory
12 Act of the 97th General Assembly:

13 (A) shall provide coverage based upon medical
14 necessity for the treatment of mental illness and substance
15 use disorders consistent with the parity requirements of
16 Section 370c.1 of this Code; provided, however, that in
17 each calendar year coverage shall not be less than the
18 following:

19 (i) 45 days of inpatient treatment; and

20 (ii) beginning on June 26, 2006 (the effective date
21 of Public Act 94-921), 60 visits for outpatient
22 treatment including group and individual outpatient
23 treatment; and

24 (iii) for plans or policies delivered, issued for
25 delivery, renewed, or modified after January 1, 2007
26 (the effective date of Public Act 94-906), 20

1 additional outpatient visits for speech therapy for
2 treatment of pervasive developmental disorders that
3 will be in addition to speech therapy provided pursuant
4 to item (ii) of this subparagraph (A); and
5 (B) may not include a lifetime limit on the number of
6 days of inpatient treatment or the number of outpatient
7 visits covered under the plan.
8 (C) (Blank).
9 (5) An issuer of a group health benefit plan may not count
10 toward the number of outpatient visits required to be covered
11 under this Section an outpatient visit for the purpose of
12 medication management and shall cover the outpatient visits
13 under the same terms and conditions as it covers outpatient
14 visits for the treatment of physical illness.
15 (5.5) An individual or group health benefit plan amended,
16 delivered, issued, or renewed on or after the effective date of
17 this amendatory Act of the 99th General Assembly shall offer
18 coverage for medically necessary acute treatment services and
19 medically necessary clinical stabilization services. The
20 treating provider shall base all treatment recommendations and
21 the health benefit plan shall base all medical necessity
22 determinations for substance use disorders in accordance with
23 the most current edition of the American Society of Addiction
24 Medicine Patient Placement Criteria.
25 As used in this subsection:
26 "Acute treatment services" means 24-hour medically

supervised addiction treatment that provides evaluation and withdrawal management and may include biopsychosocial assessment, individual and group counseling, psychoeducational groups, and discharge planning.

"Clinical stabilization services" means 24-hour treatment, usually following acute treatment services for substance abuse, which may include intensive education and counseling regarding the nature of addiction and its consequences, relapse prevention, outreach to families and significant others, and aftercare planning for individuals beginning to engage in recovery from addiction.

(6) An issuer of a group health benefit plan may provide or offer coverage required under this Section through a managed care plan.

(7) (Blank).

(8) (Blank).

(9) With respect to substance use disorders, coverage for inpatient treatment shall include coverage for treatment in a residential treatment center licensed by the Department of Public Health or the Department of Human Services.

(c) This Section shall not be interpreted to require coverage for speech therapy or other habilitative services for those individuals covered under Section 356z.15 of this Code.

(d) The Department shall enforce the requirements of State and federal parity law, which includes ensuring compliance by individual and group policies; detecting violations of the law

1 by individual and group policies proactively monitoring
2 discriminatory practices; accepting, evaluating, and
3 responding to complaints regarding such violations; and
4 ensuring violations are appropriately remedied and deterred.

5 (e) Availability of plan information.

6 (1) The criteria for medical necessity determinations
7 made under a group health plan with respect to mental
8 health or substance use disorder benefits (or health
9 insurance coverage offered in connection with the plan with
10 respect to such benefits) must be made available by the
11 plan administrator (or the health insurance issuer
12 offering such coverage) to any current or potential
13 participant, beneficiary, or contracting provider upon
14 request.

15 (2) The reason for any denial under a group health plan
16 (or health insurance coverage offered in connection with
17 such plan) of reimbursement or payment for services with
18 respect to mental health or substance use disorder benefits
19 in the case of any participant or beneficiary must be made
20 available within a reasonable time and in a reasonable
21 manner by the plan administrator (or the health insurance
22 issuer offering such coverage) to the participant or
23 beneficiary upon request.

24 (f) As used in this Section, "group policy of accident and
25 health insurance" and "group health benefit plan" includes (1)
26 State-regulated employer-sponsored group health insurance

1 plans written in Illinois and (2) State employee health plans.
2 (Source: P.A. 99-480, eff. 9-9-15.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.