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Bill Analysis

Legislative Service Commission

H.B. 57

125th General Assembly
(As Introduced)

Reps. Callender, Olman, Widener, T. Patton, Harwood

BILL SUMMARY

- Prohibits health care policies, contracts, and agreements from providing less coverage for the diagnosis, care, and treatment of mental illness than that provided for the diagnosis, care, and treatment of other illnesses.
- Permits the State Board of Psychology to license psychological associates.

CONTENT AND OPERATION

Mental health benefits provided by sickness and accident insurance policies and employer self-insurance plans

(R.C. 1739.05, 3923.28, 3923.281, and 3923.51)

Mandate; definitions

The bill requires each policy of sickness and accident insurance, and each plan of health insurance, to provide benefits for the diagnosis and treatment of mental health conditions on the same terms and conditions as, and to provide benefits no less extensive than, those found in the policy or plan for the treatment and diagnosis of all other physical diseases and disorders. This requirement applies to all coverages, terms, and conditions, including, but not limited to: coverage of inpatient hospital services, outpatient services, medication, maximum lifetime benefits, co-payments, and deductibles.

The bill defines a "mental health condition" as any condition or disorder involving mental illness as defined by the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders or by any diagnostic category listed in the mental disorder section of the most recent edition of the International Classification of Diseases. A "policy of sickness and accident insurance" is defined as any individual or group policy of sickness and accident insurance that

provides health care coverage for other than specific diseases or accidents only. A "plan of health insurance" is defined as any private or public employer self-insurance plan that provides payment for health care benefits for other than specific diseases or accidents only, which benefits are not provided by contract with a sickness and accident insurer or health insuring corporation.

Conditions

The bill's health benefit mandate only relates to the diagnosis and treatment of mental health conditions *if* both of the following apply:

1. The mental health condition is clinically diagnosed by a licensed physician, psychologist, professional clinical counselor, professional counselor, independent social worker, or clinical nurse specialist whose specialty is mental health.
2. The prescribed treatment is not experimental or investigational, having proven its clinical effectiveness in accordance with generally accepted medical standards.

Exceptions

The bill's health benefit mandate does not apply to policies of sickness and accident insurance providing coverage to persons enrolled in Medicaid or to worker's compensation claimants. The health benefit mandate does not apply to plans of health insurance if federal law supersedes, preempts, prohibits, or otherwise precludes its application.

The bill states that the health benefit mandate does not prohibit sickness and accident insurers and employers from: (1) negotiating separately with mental health care providers with regard to reimbursement rates and the delivery of health care services, (2) managing the provision of benefits for the diagnosis or treatment of mental health conditions through the use of pre-admission screening, by requiring beneficiaries to obtain authorization prior to treatment, or through the use of any other mechanism designed to limit coverage to treatment determined to be necessary, or (3) enforcing the terms and conditions of a policy or plan of health insurance. The bill's health benefit mandate also does not prohibit sickness and accident insurers from offering policies that provide benefits solely for the diagnosis and treatment of mental health conditions.

Multiple employer welfare arrangements; charitable foundations

A self-insured multiple employer welfare arrangement created under Chapter 1739. of the Revised Code, established to provide health care benefits to the employees of two or more employers, must comply with all laws applicable to

self-funded programs. The bill's health benefit mandate, consequently, applies to self-insured multiple employer welfare arrangements (R.C. 1739.05). Group contracts of sickness and accident insurance offered to charitable foundations are not subject to the health benefit mandate (R.C. 3923.51).

Repeal of requirement that insurers provide minimum benefits for the treatment of mental disorders and alcoholism

(R.C. 3923.28, 3923.29, and 3923.30)

The bill repeals sections of current law that require insurers and self-insurers to provide limited benefits for mental health care services and the treatment of alcoholism. Briefly, the sections require that if a policy of group sickness and accident insurance provides coverage for mental and emotional disorders, the benefits provided for the treatment of these disorders must at least equal \$550 in any 12-month period. Also, policies of group sickness and accident insurance must provide benefits for the treatment of alcoholism at least equal to \$550 in any 12-month period. Self-insured plans must provide similar benefits for the treatment of mental and emotional disorders and alcoholism.

Mandate applicable to health insuring corporation policies, contracts, and agreements

(R.C. 1751.01)

The bill redefines "basic health care services" for purposes of the Health Insuring Corporation Law, Chapters 1751. and 1753. of the Revised Code, by inserting mental health services into the list of health care services currently defined as basic health care services. This list currently includes: physician's services, hospital services, outpatient medical services, emergency health services, urgent care services, diagnostic laboratory and radiological services, and certain preventive health care services.

The Health Insuring Corporation Law prohibits a health insuring corporation from offering coverage for a health care service defined as a basic health care service unless it offers coverage for all services listed as basic health care services. Because the bill expands the list of basic health care services to include mental health services, any health insuring corporation that offers coverage for one of the other services currently listed as a basic health care service would have to offer coverage for mental health services as well. However, the bill also creates an exception, permitting a health insuring corporation to offer coverage for mental health services as a supplemental health care service, alone or in combination with other health care services defined as supplemental health care

services, without having to offer coverage for the other services listed as basic health care services.

Mandate not subject to review

(R.C. 1751.01(A), 3923.28(B), and 3923.281(B))

Current law (R.C. 3901.71) requires the Superintendent of Insurance to hold a public hearing to consider any provision in a newly enacted law that requires policies, contracts, or plans of health care to cover, or offer coverage, for the expense of any specified service, treatment, or disease. The mandated health benefit may not be applied to policies, contracts, and plans of health care until the Superintendent determines that the mandate can be fully and equally applied to self-insured employee benefit plans subject to regulation by the federal Employee Retirement Income Security Act of 1974 (ERISA), and to employee benefit plans established by the state or its political subdivisions, or their agencies and instrumentalities. ERISA, however, generally prohibits state regulation of employee benefits offered by private self-insured plans.

This current restriction would apply to the bill's mandate to cover the diagnosis and treatment of mental illness. The bill, however, exempts the mandate from such review and determination.

Board of Psychology to license psychological associates

(R.C. 4732.01, 4732.09, 4732.10, 4732.13, 4732.131, 4732.14, 4732.141, 4732.15, 4732.17, 4732.19, 4732.20, 4732.21, 4732.22, 4732.23, 4732.24, 4757.41, and 4757.42)

Licensing of psychological associates

The bill permits the State Board of Psychology to license a new category of practitioner, psychological associates. On and after one year after the bill's effective date, no person who is not either a licensed psychologist or licensed psychological associate may offer or render services as a psychological associate for compensation or personal gain. A "psychological associate" includes any person who claims to the public through the use of any title or description of services that incorporates the words "psychological associate" or "psychology associate," or any other term, to be trained, experienced, or an expert in the practice of associate psychology. The practice of associate psychology is the rendering of, or offer to render, to individuals, groups, and organizations, psychological procedures that are within the nature and extent of psychological associates' training and experience as identified in rules adopted by the State

Board of Psychology. Teaching and research are not considered to be the practice of associate psychology.

The bill requires the Board to adopt rules in accordance with the state Administrative Procedure Act, Chapter 119. of the Revised Code, specifying the psychological procedures that are within the nature and extent of psychological associates' training and experience. The Board must adopt the initial rules not later than 90 days after the bill's effective date.

A person desiring to practice associate psychology must file a written application, under oath, with the secretary of the State Board of Psychology, on a form prescribed by the Board. Persons licensed as counselors and social workers under Chapter 4757. of the Revised Code are not authorized to engage in the practice of associate psychology.

The bill sets requirements for admission to the licensing examination for a psychological associate's license. The applicant must:

1. Be at least 21 years of age;
2. Be of good moral character;
3. Be a citizen of the United States or have legally declared the intention of becoming such;
4. Have received an earned master's degree in clinical psychology, counseling psychology, or a field the State Board of Psychology considers to be equivalent to clinical or counseling psychology, from an educational institution accredited or recognized by national or regional accrediting agencies as maintaining satisfactory standards.

Extension of provisions currently regulating psychologists

The bill extends the provisions in Chapter 4732. of the Revised Code currently applicable to the practice of psychology to the practice of associate psychology. The provisions remain applicable to psychologists. A *summary* of the provisions follows:

1. Psychological associates must register with the State Board of Psychology and pay a registration fee every two years (R.C. 4732.14).
2. Psychological associates must complete 23 hours of continuing education every two years, including professional conduct and ethics (R.C. 4732.141).

3. Psychological associate licensed in another state may move their practice to Ohio without taking a licensing examination, provided the psychological associate has appropriate experience and meets Ohio's licensing requirements (R.C. 4732.15).

4. The Board may refuse to issue, suspend, or revoke, a psychological associate's license, or may reprimand an applicant or licensee, for any of a number of offenses, including, but not limited to: conviction of a crime, using fraud to obtain a license, negligence, drug use, and unauthorized disclosure of information received in confidence (R.C. 4732.17). The confidential relations and communications between a licensed psychological associate and client are placed on the same basis as those between a psychologist and client and physician and patient (R.C. 4732.19).

5. Employees of psychological associates do not have to be licensed as psychological associates if the employees do not represent themselves as psychological associates. The employees may carry out specific tasks under the licensee's supervision. (R.C. 4732.22.)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	02-12-03	p. 148

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