



Greg Schwab

Bill Analysis

Legislative Service Commission

S.B. 41

125th General Assembly
(As Introduced)

Sens. Hagan, Fedor

BILL SUMMARY

- Requires health insuring corporations and sickness and accident insurers to offer coverage for the surgical treatment of morbid obesity in connection with the offer or renewal of health care policies, contracts, and agreements, with benefits equal to those provided for other medically necessary surgical procedures under the policy, contract, or agreement.
- Requires that coverage for the surgical treatment of morbid obesity be included in the Medicaid program, subject to federal approval, and in all public employee benefit plans.

CONTENT AND OPERATION

Health insuring corporations and sickness and accident insurers to offer coverage for the surgical treatment of morbid obesity

(secs. 1751.69 and 3923.81)

The bill requires all health insuring corporations and sickness and accident insurers, and their agents, to offer coverage for the expenses of the surgical treatment of morbid obesity in connection with the offer or renewal of health care policies, contracts, and agreements. If an applicant, subscriber, or insured contracts for this coverage, the coverage provided by the insurer or health insuring corporation must include benefits for examinations and laboratory tests performed in accordance with the guidelines of the National Institutes of Health for the surgical treatment of morbid obesity. The coverage provided may not be any less extensive than the coverage provided for any other medically necessary surgical procedure under the policy, contract, or agreement, and must be subject to the same terms and conditions, including copayments and deductibles.

These requirements do not apply, however, in connection with the offer or renewal of any health insuring corporation policy, contract, or agreement covering only supplemental health care services or specialty health care services, nor do they apply in connection with the offer or renewal of any individual or group policy of sickness and accident insurance that provides coverage for specific diseases or accidents only, or hospital indemnity, Medicare supplement, Medicare, tricare, long-term care, disability income, one-time limited duration policies of not longer than six months, and other policies that offer only supplemental benefits.

Public employee benefit plans to provide benefits for the surgical treatment of morbid obesity

(sec. 3923.82)

The bill requires every public employee benefit plan that is established or modified in Ohio to provide benefits for the expenses of the surgical treatment of morbid obesity. The benefits must include coverage for examinations and laboratory tests performed in accordance with the guidelines of the National Institutes of Health for the surgical treatment of morbid obesity. The benefits may not be any less extensive than those provided under the plan for any other medically necessary surgical procedure, and must be subject to the same terms and conditions, including copayments and deductibles.

The Ohio Medicaid program to include coverage for the surgical treatment of morbid obesity

(sec. 5111.025)

Subject to receiving federal approval for the use of federal funds, the bill requires Ohio's Medicaid program to include coverage for the expenses of the surgical treatment of morbid obesity. The coverage must include benefits for examinations and laboratory tests performed in accordance with the guidelines of the National Institutes of Health for the surgical treatment of morbid obesity. The benefits may not be any less extensive than those provided for any other medically necessary surgical procedure under the Medicaid program, and must be subject to similar terms and conditions.

Persons eligible for treatment

(secs. 1751.69(A), 3923.81(A), 3923.82(A), and 5111.025(A))

The following individuals are eligible under all of the sections enacted by the bill for coverage for the expenses of the surgical treatment of morbid obesity:

(1) Individuals with a body-mass index equal to or greater than 40 kilograms per meter squared;

(2) Individuals with a body-mass index equal to or greater than 35 kilograms per meter squared, with comorbidities or coexisting medical conditions, such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes;

(3) Individuals who meet the guidelines for the surgical treatment of morbid obesity as set forth by the National Institutes of Health.

Bill's mandates are not subject to standard review

(secs. 1751.69(A), 3923.81(A), and 3923.82(A))

Section 3901.71 of the Revised Code requires the Superintendent of Insurance to hold a public hearing to consider any new health benefit mandate contained in a law enacted by the General Assembly. A new health benefit mandate may not be applied to policies and plans of insurance 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; however, ERISA generally prohibits state regulation of the employee benefits offered by private self-insured plans.

Section 3901.71 of the Revised Code may have been applicable to the bill's mandate that coverage for the expenses of the surgical treatment of morbid obesity be offered in connection with the offer or renewal of health care policies, contracts, and agreements (secs. 1751.69 and 3923.81), and to its mandate that public employee benefit plans provide this coverage (sec. 3923.82). The bill, however, exempts itself from review under section 3901.71 of the Revised Code.

Effective dates

(Section 2)

The bill's mandates first apply in connection with the offer or renewal of health insuring corporation policies, contracts, and agreements and sickness and accident insurance policies on or after the bill's effective date; to public employee benefit plans established or modified in Ohio on or after the bill's effective date; and to services provided by the Medicaid program on or after the bill's effective date.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	03-04-03	p. 165

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