

2/26/02 Do Pon

3/14/02 UNFINISHED BUSINESS CALENDAR

FEB 18 2002
HUMAN RESOURCES

HOUSE FILE 2387
BY HEATON and FOEGE

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to psychiatric medical institutions for children
2 requirements involving complaint response and behavioral
3 health care coverage.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2387

1 Section 1. Section 135H.12, is amended by adding the
2 following new subsection:

3 NEW SUBSECTION. 3. The department is designated as the
4 sole agency for performing inspections, interviews, or other
5 investigation activities, or for making other responses to
6 address a complaint made under this chapter or any other law
7 regarding a psychiatric institution or a person employed by a
8 psychiatric institution. Notwithstanding any other law to the
9 contrary, upon completion of an inspection, interview, or
10 other investigation activity in response to a complaint, the
11 department may disclose any information obtained to the
12 department of human services, a designated protection and
13 advocacy agency, or a regulatory agency that would otherwise
14 perform a similar inspection, interview, or investigation
15 activity in response to a complaint involving a psychiatric
16 institution. The department shall cooperate with a law
17 enforcement agency's investigation of a criminal complaint
18 involving a psychiatric institution.

19 Sec. 2. Section 509.3, Code 2001, is amended by adding the
20 following new subsection:

21 NEW SUBSECTION. 8. A provision shall be made available to
22 policyholders, under group policies covering behavioral health
23 care, for payment of necessary behavioral health care provided
24 by a psychiatric medical institution for children licensed
25 under chapter 135H if the behavioral health care is provided
26 within the scope of a psychiatric medical institution for
27 children's license and if the policy would pay for the
28 behavioral health care if the behavioral health care were
29 provided by a hospital or other inpatient provider of
30 behavioral health care. The policy shall also provide that
31 the policyholder may reject the coverage or provision if the
32 coverage or provision for behavioral health care that may be
33 provided by a psychiatric medical institution for children is
34 rejected for all providers of similar behavioral health care.
35 This paragraph applies to group policies delivered on or after

1 July 1, 2002, and to existing group policies on their next
2 anniversary or renewal dates, or upon expiration of the
3 applicable collective bargaining contract, if any, whichever
4 is later. This subsection does not apply to blanket, short-
5 term travel, accident-only, limited or specified disease, or
6 individual or group conversion policies, policies rated on a
7 community basis, or policies designed only for issuance to
8 persons for eligible coverage under Title XVIII of the federal
9 Social Security Act, or any other similar coverage under a
10 state or federal government plan.

11 Sec. 3. Section 514.7, Code 2001, is amended by adding the
12 following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. A provision shall be available
14 in approved contracts with hospital and medical service
15 corporate subscribers under group subscriber contracts or
16 plans covering behavioral health care, for payment of
17 necessary behavioral health care provided by a psychiatric
18 medical institution for children licensed under chapter 135H,
19 if the behavioral health care is provided within the scope of
20 a psychiatric medical institution for children's license and
21 if the subscriber contract would pay for the behavioral health
22 care if the behavioral health care were provided by a hospital
23 or other inpatient provider of behavioral health care. The
24 subscriber contract shall also provide that the subscriber may
25 reject the coverage or provision if the coverage or provision
26 for behavioral health care that may be provided by a
27 psychiatric medical institution for children is rejected for
28 all providers of similar behavioral health care. This
29 paragraph applies to group subscriber contracts delivered on
30 or after July 1, 2002, and to group subscriber contracts on
31 their anniversary or renewal date, or upon the expiration of
32 the applicable collective bargaining contract, if any,
33 whichever is the later. This paragraph does not apply to
34 contracts designed only for issuance to subscribers eligible
35 for coverage under Title XVIII of the federal Social Security

1 Act, or any other similar coverage under a state or federal
2 government plan.

3 Sec. 4. Section 514B.1, subsection 5, Code 2001, is
4 amended by adding the following new paragraph:

5 NEW PARAGRAPH. e. The health care services available to
6 enrollees under prepaid group plans covering behavioral health
7 care, shall include a provision for payment of necessary
8 behavioral health care provided by a psychiatric medical
9 institution for children licensed under chapter 135H, if the
10 behavioral health care is provided within the scope of a
11 psychiatric medical institution for children's license and if
12 the subscriber contract would pay for the behavioral health
13 care if the behavioral health care were provided by a hospital
14 or other inpatient provider of behavioral health care. The
15 plan shall also provide that the plan enrollees may reject the
16 coverage or provision if the coverage or provision for
17 behavioral health care that may be provided by a psychiatric
18 medical institution for children is rejected for all providers
19 of similar behavioral health care. This paragraph applies to
20 prepaid group plans made on or after July 1, 2002, and to
21 existing group plans on their next anniversary or renewal
22 date, or upon the expiration of the applicable collective
23 bargaining contract, if any, whichever is the later. This
24 paragraph does not apply to contracts designed only for
25 issuance to enrollees eligible for coverage under Title XVIII
26 of the federal Social Security Act, or any other similar
27 coverage under a state or federal government plan.

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EXPLANATION

29 This bill relates to psychiatric medical institutions for
30 children (PMIC) requirements involving complaint response and
31 behavioral health care coverage.

32 Code section 135H.12, relating to the duties of the
33 department of inspections and appeals in response to a
34 complaint concerning a PMIC, is amended. The department is
35 designated as the sole agency for responding to complaints

1 under the PMIC Code chapter and for other complaints involving
2 a PMIC or PMIC employee. Notwithstanding any other law, the
3 department of inspections and appeals may disclose to certain
4 entities any information obtained in performing inspections,
5 interviews, or other investigation activities, or for making
6 other responses to address a complaint. The disclosure may be
7 made to the department of human services, a designated
8 protection and advocacy agency, or other regulatory agency
9 that would otherwise perform a similar inspection, interview,
10 or investigation activity in response to a complaint involving
11 a psychiatric institution. The department is required to
12 cooperate with a law enforcement agency's investigation of a
13 criminal complaint involving a PMIC.

14 The bill amends Code section 509.3, relating to group
15 insurance provisions as part of an accident or health policy.
16 The bill requires that a provision be offered to policyholders
17 for payment for behavioral health care provided within the
18 scope of a PMIC license that would be paid for in a hospital
19 or if provided by another inpatient provider of behavioral
20 health care. An exception to the requirement is made for
21 various types of short-term and other policies subject to some
22 form of limitation.

23 Code section 514.7, relating to nonprofit health service
24 corporation contracts, is similarly amended to apply the PMIC
25 payment requirement to such contracts.

26 Code section 514B.1, relating to definitions for health
27 maintenance organization plans, is similarly amended to apply
28 the PMIC payment requirement to such plans.

29 The three health coverage provisions are applicable to
30 policies or contracts delivered or plans made on or after July
31 1, 2002, and to existing policies, contracts, or plans after
32 that date.

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