

DEPARTMENT OF HEALTH
BILL ANALYSIS, ECONOMIC STATEMENT
AND FISCAL NOTE

BILL NO.: HB19

SUBJECT: Optional Coverage for Mental,
Nervous and Substance-Related
Disorders

SPONSOR (S): Homan

STATUTE (S) AFFECTED: 627

COORDINATED WITH:

COMPANION BILL (S): SB 164 (I)

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Budget Services Reviewer

Division/Office Director

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General Counsel Reviewer

Deputy Secretary/Deputy State Health Officer

I. SUMMARY:

This bill revises requirements and limitations for optional insurance coverage for mental, nervous and substance-related disorders. Children with the specified disorders may be enrolled and receiving treatment through the Children's Medical Services (CMS) Network.

Will this bill have a fiscal impact on the Department of Health (DOH)?

Yes No

II. PRESENT SITUATION/EFFECT BILL WOULD HAVE ON DOH AND/OR PUBLIC HEALTH:

SECTION 1:

What does this section of the bill do?

Substance-related disorders are added to the optional insurance coverage requirements in s. 627.668, Florida Statutes (F.S.). Insurers, health maintenance organizations and nonprofit hospital and medical service plan corporations providing group health insurance coverage, or providing prepaid health care, are required by s. 627.668, F.S., to make available to policyholders, for an appropriate additional premium, at the time of application, additional mental, nervous and substance-related disorder benefits. This bill specifies that all diagnostic categories of mental health conditions listed in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, and as listed in the mental and behavioral disorders section of the current International Classification of Diseases must be included.

It requires that inpatient hospital, partial hospitalization and outpatient benefits with durational limits, dollar amounts, deductibles and coinsurance factors may not be more restrictive than the same treatment limitations and cost sharing requirements that are applicable to other diseases, illnesses and medical conditions.

It requires that if the beneficiary or participant is offered two or more benefit package options the requirements of this bill shall be applied separately to each option.

How is this handled currently by DOH and/or public health?

Children with some of the specified disorders may be enrolled and receiving treatment through the CMS Network.

How would the changes proposed in the bill affect the way DOH and/or public health operate?

It could result in the specified services being funded by private insurance rather than CMS or Medicaid.

SECTION 4:

What does this section of the bill do?

Requires that this act take effect January 1, 2009.

How is this handled currently by DOH and/or public health?

N/A

How would the changes proposed in the bill affect the way DOH and/or public health operate?

N/A

III. IMPLEMENTATION ISSUES:

A. Reports and Studies Required: Yes No

Bill section number(s):

Lead department:

Date due:

Description:

Submission to:

B. Commission, Council, Committee, Task Force or Board Created or Revised:

Yes No

CREATED - or - REVISED

Bill section number(s):

Name of Commission, Council, Committee, Task Force or Board:

Purpose:

Total number of appointees:

Number of Governor's appointees:

Number of DOH appointees:

Date by which appointments must be made:

Repeal date:

C. Rule Authorization:

Does the bill require the DOH or a board to promulgate a rule?

Yes No

IV. DEPARTMENT OF HEALTH ECONOMIC IMPACT AND FISCAL NOTE:

A. FISCAL IMPACT ON THE DEPARTMENT OF HEALTH:

This bill could have a positive fiscal impact if insurance providers, health maintenance

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organizations and nonprofit hospital and medical service plan corporations providing group health insurance coverage or providing prepaid health care paid for services that Department of Health programs and Medicaid may currently be funding. However, there is no way of determining what that impact may be.

B. FISCAL COMMENTS: None

V. OTHER FISCAL IMPACT:

A. FISCAL IMPACT ON OTHER STATE AGENCIES/STATE FUNDS:

Yes No

There could be a fiscal impact on the Agency for Health Care Administration and the Department of Children and Families since these are services that they may fund for eligible children. However, there is no way of determining what that impact may be.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

Yes No

C. DIRECT FISCAL IMPACT ON PRIVATE SECTOR:

Yes No

There would be an impact on insurers, health maintenance organizations and nonprofit hospital and medical service plan corporations providing group health insurance coverage or providing prepaid health coverage, however, the actual impact is unknown.

1. Private Sector Costs: Unknown
2. Private Sector Benefits: Unknown
3. Effects on Competition, Private Enterprise and Employment Markets: Unknown

D. FISCAL COMMENTS: None.

VI. LEGAL ISSUES (to be completed by General Counsel's Office - HGC)

- A. Does the proposed legislation appear to conflict with existing state laws or rules? Yes No
- B. Does the proposed legislation appear to conflict with existing federal law or regulations? Yes No
- C. Does the proposed legislation appear to raise significant constitutional concerns under the U.S. or Florida Constitution (e.g., separation of powers, access to the court, equal protection, free speech, establishment clause, impairment of contracts)? Yes No
- D. Is the proposed legislation likely to generate or prevent litigation with the Department of Health, and, if so, from what interest group or parties?
 Yes No
- E. To implement this bill, is the department's current rule authority, or rule authority provided in the bill, sufficient to meet APA standards?
 Yes

VII. COMMENTS: None

VIII. PROPOSED AMENDMENTS:

CRITICAL WOULD LIKE TO HAVE TECHNICAL NONE

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