REFERENCE TITLE: insurance; mental health coverage; parity

State of Arizona

Senate

Fifty-fourth Legislature

First Regular Session

2019

**SB XXXX**

Introduced by

Senator \_\_\_\_\_\_\_

AN ACT

AMENDING SECTION 20-2322, ARIZONA REVISED STATUTES; RELATING TO MENTAL HEALTH INSURANCE COVERAGE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 20-2322, Arizona Revised Statutes, is amended to read:

20-2322. Mental health services and benefits: definitions

A. Beginning on January 1, 1998, any health benefits plan that is offered by an accountable health plan and that provides services or health benefits that include mental health services or mental health benefits shall comply with this section.

B. If the health benefits plan does not include an aggregate lifetime limit on substantially all health services or health benefits that are not related to mental health services or mental health benefits, the health benefits plan shall not impose any aggregate lifetime limit on mental health services or mental health benefits. If the health benefits plan includes an aggregate lifetime limit on substantially all health services or health benefits that are not related to mental health services or mental health benefits, the health benefits plan shall either:

1. Apply the applicable lifetime limit to both the health services or health benefits that are not related to mental health services or mental health benefits and to the mental health services or mental health benefits.

2. Not include an aggregate lifetime limit on mental health services or mental health benefits that is less than the applicable lifetime limit for health services or health benefits that are not related to mental health services or mental health benefits.

C. If the health benefits plan does not include an aggregate annual limit on substantially all health services or health benefits that are not related to mental health services or mental health benefits, the health benefits plan shall not impose any aggregate annual limit on mental health services or mental health benefits. If the health benefits plan includes an aggregate annual limit on substantially all health services or health benefits that are not related to mental health services or mental health benefits, the health benefits plan shall either:

1. Apply the applicable annual limit to both the health services or health benefits that are not related to mental health services or mental health benefits and to the mental health services or mental health benefits.

2. Not include any aggregate annual limit on mental health services or mental health benefits that is less than the applicable annual limit for health services or health benefits that are not related to mental health services or mental health benefits.

D. ~~Except as provided in subsections A, B and C, this section does not prevent an accountable health plan that offers a health benefits plan that provides mental health services or mental health benefits from imposing terms and conditions, including cost sharing, limits on the number of visits or days of coverage or requirements relating to medical necessity in relation to the amount, duration or scope of coverage for mental health services or mental health benefits under the health benefits plan.~~ AN ACCOUNTABLE HEALTH PLAN THAT OFFERS A HEALTH BENEFITS PLAN THAT PROVIDES MENTAL HEALTH SERVICES OR MENTAL HEALTH BENEFITS SHALL COMPLY WITH THE MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT OF 2008 FOUND AT 42 U.S.C. 300GG-26 AND ITS IMPLEMENTING AND RELATED REGULATIONS FOUND AT 45 CFR 146.136, 45 CFR 147.160, AND 45 CFR 156.115(A)(3). Nothing in this section requires an accountable health plan to:

1. Offer a health benefits plan that provides mental health services or mental health benefits.

~~2. Comply with this section in connection with any health benefits plan offered to a small employer.~~

~~3.~~ 2. Comply with this section if that compliance under the health benefits plan offered by the accountable health plan would result in an increase in the cost to the health benefits plan of at least one per cent.

E. The requirements of this section apply separately to each health benefits plan offered by an accountable health plan and shall be consistent with title VII of the health insurance portability and accountability act of 1996 (P.L. 104-204; 110 Stat. 2944) and 45 Code of Federal Regulations part 146.

F. Mental health services or mental health benefits ~~do not~~ include benefits for the treatment of substance abuse or chemical dependency.

G. For the purposes of this section:

1. "Aggregate annual limit" means a dollar limitation on the total amount that may be paid in a twelve month period for benefits or services under a health benefits plan for an individual who is covered under a health benefits plan.

2. "Aggregate lifetime limit" means a dollar limitation on the total amount that may be paid for benefits or services under a health benefits plan for an individual who is covered under a health benefits plan.

H. Any health benefits plan that is offered by an accountable health plan and that provides prescription drug benefits for the treatment of substance abuse or chemical dependency shall not impose any prior authorization requirements on any prescription medication approved by the federal Food and Drug Administration (FDA) for the treatment of substance abuse or chemical dependency.

I. Any health benefits plan that is offered by an accountable health plan and that provides prescription drug benefits for the treatment of substance abuse or chemical dependency shall not impose any step therapy requirements before the health benefits plan will authorize coverage for a prescription medication approved by the FDA for the treatment of substance abuse or chemical dependency.

J. Any health benefits plan that is offered by an accountable health plan and that provides prescription drug benefits for the treatment of substance abuse or chemical dependency shall place all prescription medications approved by the FDA for the treatment of substance abuse or chemical dependency on the lowest tier of the drug formulary developed and maintained by the health benefits plan.

K. Any health benefits plan that is offered by an accountable health plan and that provides prescription drug benefits for the treatment of substance abuse or chemical dependency shall not exclude coverage for any prescription medication approved by the FDA for the treatment of substance abuse or chemical dependency and any associated counseling or wraparound services on the grounds that such medications and services were court ordered.