

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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SENATE BILL 676

Short Title: Autism Health Insurance Coverage. (Public)

Sponsors: Senators Apodaca, Krawiec (Primary Sponsors); Brock, Ford, Hise, B. Jackson, Lee, Lowe, Pate, Tarte, Van Duyn, and Woodard.

Referred to: Insurance.

March 30, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE COVERAGE FOR THE TREATMENT OF AUTISM SPECTRUM DISORDERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 58-3-220 reads as rewritten:

**"§ 58-3-220. Mental illness benefits coverage.**

(a) Mental Health Equity Requirement. – Except as provided in subsection (b), an insurer shall provide in each group health benefit plan benefits for the necessary care and treatment of mental illnesses that are no less favorable than benefits for physical illness generally, including application of the same limits. For purposes of this subsection, mental illnesses are as diagnosed and defined in the Diagnostic and Statistical Manual of Mental Disorders, ~~DSM-IV~~, DSM-V, or a subsequent edition published by the American Psychiatric Association, except those mental disorders coded in the ~~DSM-IV~~DSM-V or subsequent edition as autism spectrum disorders (299.00), substance-related disorders (291.0 through 292.2 and 303.0 through 305.9), those coded as sexual dysfunctions not due to organic disease (302.70 through 302.79), and those coded as "V" codes. For purposes of this subsection, "limits" includes deductibles, coinsurance factors, co-payments, maximum out-of-pocket limits, annual and lifetime dollar limits, and any other dollar limits or fees for covered services.

(b) Minimum Required Benefits. – Except as provided in subsection (c), a group health benefit plan may apply durational limits to mental illnesses that differ from durational limits that apply to physical illnesses. A group health benefit plan shall provide at least the following minimum number of office visits and combined inpatient and outpatient days for all mental illnesses and disorders not listed in subsection (c), as diagnosed and defined in the Diagnostic and Statistical Manual of Mental Disorders, ~~DSM-IV~~, DSM-V, or a subsequent edition published by the American Psychiatric Association, except those mental disorders coded in the ~~DSM-IV~~DSM-V or subsequent edition as autism spectrum disorders (299.00), substance-related disorders (291.0 through 292.2 and 303.0 through 305.9), those coded as sexual dysfunctions not due to organic disease (302.70 through 302.79), and those coded as "V" codes:

- (1) Thirty combined inpatient and outpatient days per year.
- (2) Thirty office visits per year.

...

(h) Definitions. – As used in this section:

- (1) "Health benefit plan" has the same meaning as in G.S. 58-3-167.
- (2) "Insurer" has the same meaning as in G.S. 58-3-167.



1 (3) "Mental illness" has the same meaning as in G.S. 122C-3(21), with a mental  
2 disorder defined in the Diagnostic and Statistical Manual of Mental  
3 Disorders, ~~DSM-IV~~, DSM-V, or subsequent editions published by the  
4 American Psychiatric Association, except those mental disorders coded in  
5 the ~~DSM-IV~~ DSM-V or subsequent editions as autism spectrum disorders  
6 (299.00), substance-related disorders (291.0 through 292.9 and 303.0  
7 through 305.9), those coded as sexual dysfunctions not due to organic  
8 disease (302.70 through 302.79), and those coded as "V" codes.

9 (i) Notwithstanding any other provisions of this section, a group health benefit plan  
10 that covers both medical and surgical benefits and mental health benefits shall, with respect to  
11 the mental health benefits, comply with all applicable standards of Subtitle B of Title V of  
12 Public Law 110-343, known as the Paul Wellstone and Pete Domenici Mental Health Parity  
13 and Addiction Equity Act of ~~2008~~ 2008, and the applicable regulations, as amended.

14 (j) ~~Subsection (i) of this section applies only to a group health benefit plan covering a~~  
15 ~~large employer as defined in G.S. 58-68-25(a)(10)."~~

16 **SECTION 2.** Article 3 of Chapter 58 of the General Statutes is amended by adding  
17 a new section to read:

18 **"§ 58-3-192. Coverage for autism spectrum disorders.**

19 (a) As used in this section, the following definitions apply:

20 (1) Adaptive behavior treatment. – The systematic management of instructional  
21 and environmental factors or the consequences of behavior that have been  
22 shown to be clinically effective through research published in peer reviewed  
23 scientific journals and based upon randomized, quasi-experimental, or single  
24 subjection designs. Both of the following requirements must be met to meet  
25 the definition of behavioral and developmental interventions:

26 a. The intervention must be necessary to (i) increase appropriate or  
27 adaptive behaviors, (ii) decrease maladaptive behaviors, or (iii)  
28 develop, maintain, or restore, to the maximum extent practicable, the  
29 functioning of an individual.

30 b. The treatment must be ordered by a licensed physician or licensed  
31 psychologist and the treatment must be provided or supervised by  
32 one of the following licensed professionals, so long as the services  
33 provided are commensurate with the licensed professional's training,  
34 experience, and scope of practice:

35 1. A licensed psychologist or psychological associate.

36 2. A licensed psychiatrist or developmental pediatrician.

37 3. A licensed speech and language pathologist.

38 4. A licensed occupational therapist.

39 5. A licensed clinical social worker.

40 (2) Autism spectrum disorder. – Any of the pervasive developmental disorders  
41 or autism spectrum disorders, as defined by the most recent edition of the  
42 Diagnostic and Statistical Manual of Mental Disorders (DSM) or the most  
43 recent edition of the International Statistical Classification of Diseases and  
44 Related Health Problems. Autism spectrum disorder is not considered a  
45 mental illness as defined in G.S. 58-3-220, 58-51-55, 58-65-90, or 58-67-75.

46 (3) Diagnosis of autism spectrum disorder. – Any medically necessary  
47 assessments, evaluations, or tests to determine whether an individual has  
48 autism spectrum disorder.

49 (4) Health benefit plan. – As defined in G.S. 58-3-167.

50 (5) Pharmacy care. – Medications prescribed by a licensed health care provider.

1           (6) Psychiatric care. – Direct or consultative services provided by a licensed  
2           psychiatrist.

3           (7) Psychological care. – Direct or consultative services provided by a licensed  
4           psychologist or licensed psychological associate.

5           (8) Therapeutic care. – Direct or consultative services provided by a licensed  
6           speech therapist, licensed occupational therapist, licensed physical therapist,  
7           licensed clinical social worker, or licensed professional counselor.

8           (9) Treatment for autism spectrum disorders. – Any of the following care for an  
9           individual diagnosed with autism spectrum disorder, or equipment related to  
10           that care, ordered by a licensed physician or a licensed psychologist who  
11           determines the care to be medically necessary:

12           a.       Adaptive behavior treatment.

13           b.       Pharmacy care.

14           c.       Psychiatric care.

15           d.       Psychological care.

16           e.       Therapeutic care.

17           (b) Except as provided in subsection (d), health benefit plans shall provide coverage for  
18           the screening, diagnosis, and treatment of autism spectrum disorder for individuals 18 years of  
19           age or younger. No insurer shall terminate coverage or refuse to issue, amend, or renew  
20           coverage to an individual solely because the individual is diagnosed with autism spectrum  
21           disorder or has received treatment for autism spectrum disorder.

22           (c) Coverage under this section may not be subject to any limits on the number of visits  
23           an individual may have for treatment of autism spectrum disorder.

24           (d) Coverage for adaptive behavior treatments under this section may be subject to a  
25           maximum benefit of up to forty thousand dollars (\$40,000) per year.

26           (e) Coverage under this section may not be denied on the basis that the treatments are  
27           habilitative or educational in nature.

28           (f) Coverage under this section may be subject to co-payment, deductible, and  
29           coinsurance provisions of a health benefit plan that are not less favorable than the co-payment,  
30           deductible, and coinsurance provisions that apply to substantially all medical services covered  
31           by the health benefit plan.

32           (g) This section shall not be construed as limiting benefits that are otherwise available  
33           to an individual under a health benefit plan.

34           (h) Nothing in this section shall apply to non-grandfathered health plans in the  
35           individual and small group markets that are subject to the requirement to cover the essential  
36           health benefit package under 45 C.F.R. § 147.150(a). For purposes of this subsection,  
37           "non-grandfathered health plan" is a health benefit plan not included in the plans defined under  
38           G.S. 58-50-110(10a).

39           (i) This section shall not be construed as affecting any obligation to provide services to  
40           an individual under an individualized family service plan, an individualized education program,  
41           or an individualized service plan.

42           (j) Except as provided in subsection (d), every health benefit plan shall provide  
43           coverage for the screening, diagnosis, and treatment of autism spectrum disorder in accordance  
44           with all applicable standards of Subtitle B of Title V of Public Law 110-343, known as the Paul  
45           Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, and the  
46           applicable regulations, as amended."

47           **SECTION 3.** G.S. 58-51-55(a) reads as rewritten:

48           "(a) Definitions. – As used in this section, the term:

49           (1) "Mental illness" has the same meaning as defined in G.S. 122C-3(21), with a  
50           mental disorder defined in the Diagnostic and Statistical Manual of Mental  
51           Disorders, ~~DSM-IV~~, DSM-V, or a subsequent edition published by the

1 American Psychiatric Association, except those mental disorders coded in  
2 the ~~DSM-IV~~-DSM-V or subsequent editions as autism spectrum disorders  
3 (299.00), substance-related disorders (291.0 through 292.9 and 303.0  
4 through 305.9), those coded as sexual dysfunctions not due to organic  
5 disease (302.70 through 302.79), and those coded as "V" codes.

- 6 (2) "Chemical dependency" has the same meaning as defined in G.S. 58-51-50,  
7 with a mental disorder defined in the Diagnostic and Statistical Manual of  
8 Mental Disorders, ~~DSM-IV~~, DSM-V, or subsequent editions published by  
9 the American Psychiatric Association."

10 **SECTION 4.** G.S. 58-67-75(a) reads as rewritten:

11 "(a) Definitions. – As used in this section, the term:

- 12 (1) "Mental illness" has the same meaning as defined in G.S. 122C-3(21), with a  
13 mental disorder defined in the Diagnostic and Statistical Manual of Mental  
14 Disorders, ~~DSM-IV~~, DSM-V, or subsequent editions published by the  
15 American Psychiatric Association, except those mental disorders coded in  
16 the ~~DSM-IV~~-DSM-V or subsequent editions as autism spectrum disorders  
17 (299.00), substance-related disorders (291.0 through 292.9 and 303.0  
18 through 305.9), those coded as sexual dysfunctions not due to organic  
19 disease (302.70 through 302.79), and those coded as "V" codes.

- 20 (2) "Chemical dependency" has the same meaning as defined in G.S. 58-67-70,  
21 with a mental disorder defined in the Diagnostic and Statistical Manual of  
22 Mental Disorders, ~~DSM-IV~~, DSM-V or subsequent editions published by the  
23 American Psychiatric Association."

24 **SECTION 5.** G.S. 58-65-90(a) reads as rewritten:

25 "(a) Definitions. – As used in this section, the term:

- 26 (1) "Mental illness" has the same meaning as defined in G.S. 122C-3(21), with a  
27 mental disorder defined in the Diagnostic and Statistical Manual of Mental  
28 Disorders, ~~DSM-IV~~, DSM-V, or subsequent editions published by the  
29 American Psychiatric Association, except those mental disorders coded in  
30 the ~~DSM-IV~~-DSM-V or subsequent editions as substance-related disorders  
31 (291.0 through 292.9 and 303.0 through 305.9), those coded as autism  
32 spectrum disorders (299.00), sexual dysfunctions not due to organic disease  
33 (302.70 through 302.79), and those coded as "V" codes.

- 34 (2) "Chemical dependency" has the same meaning as defined in G.S. 58-65-75,  
35 with a mental disorder defined in the Diagnostic and Statistical Manual of  
36 Mental Disorders, ~~DSM-IV~~, DSM-V, or subsequent editions published by  
37 the American Psychiatric Association."

38 **SECTION 6.** This act becomes effective October 1, 2015, and applies to insurance  
39 contracts issued, renewed, or amended on or after that date.