



AN ACT GENERALLY REVISING LAWS RELATED TO REQUIRING HEALTH INSURANCE ISSUERS TO PROVIDE PARITY COMPLIANCE REPORTING; REQUIRING IDENTIFICATION OF NONQUANTITATIVE TREATMENT LIMITATIONS; REQUIRING THE REPORTING OF ANALYSIS RESULTS; AMENDING SECTIONS 33-22-702 AND 33-35-306, MCA; AND PROVIDING A CONTINGENT EFFECTIVE DATE AND AN APPLICABILITY DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Parity compliance records. A health insurance issuer that issues, modifies, or renews individual or group health insurance coverage that provides mental health or substance use disorder benefits shall submit a report to the commissioner on or before April 1 of the year following [the effective date of this act], and upon request of the commissioner for each year thereafter, that complies with the mental health and substance use disorder parity analysis requirements of 42 U.S.C. 300gg-26(a)(8).

Section 2. Section 33-22-702, MCA, is amended to read:

"33-22-702. Definitions. For purposes of this part, the following definitions apply:

(1) "Inpatient benefits" are as set forth in 33-22-705.

(2) "Mental health benefits" means benefits with respect to items or services for mental health conditions, as defined under the terms of the plan or health insurance coverage and in accordance with applicable federal and state law. Any condition defined by the plan or coverage as being or as not being a mental health condition must be defined to be consistent with generally recognized independent standards of current medical practice, including but not limited to the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders.

~~(2)~~(3) "Mental health treatment center" means a treatment facility organized to provide care and

treatment for mental illness or severe mental illness through multiple modalities or techniques pursuant to a written treatment plan approved and monitored by a qualified health care provider and a treatment facility that is:

- (a) licensed as a mental health treatment center by the state;
- (b) funded or eligible for funding under federal or state law; or
- (c) affiliated with a hospital under a contractual agreement with an established system for patient referral.

~~(3)~~(4) (a) "Mental illness" means a clinically significant behavioral or psychological syndrome or pattern that occurs in a person and that is associated with:

- (i) present distress or a painful symptom;
- (ii) a disability or impairment in one or more areas of functioning; or
- (iii) a significantly increased risk of suffering death, pain, disability, or an important loss of freedom.

(b) Mental illness must be considered as a manifestation of a behavioral, psychological, or biological dysfunction in a person.

(c) Mental illness does not include:

- (i) a developmental disorder;
- (ii) a speech disorder;
- (iii) a psychoactive substance use disorder;
- (iv) an eating disorder, except for bulimia and anorexia nervosa; or
- (v) an impulse control disorder, except for intermittent explosive disorder and trichotillomania.

~~(4)~~(5) "Outpatient benefits" are as set forth in 33-22-705.

~~(5)~~(6) "Qualified health care provider" means a person licensed as a physician, psychologist, social worker, clinical professional counselor, marriage and family therapist, or addiction counselor or another appropriate licensed health care practitioner.

~~(6)~~(7) "Severe mental illness" means the following disorders as defined by the American psychiatric association:

- (a) schizophrenia;
- (b) schizoaffective disorder;

- (c) bipolar disorder;
- (d) major depression;
- (e) panic disorder;
- (f) obsessive-compulsive disorder; and
- (g) autism.

~~(7)~~(8) (a) "Substance use disorder" means the uncontrollable or excessive use of an addictive substance, including but not limited to alcohol, morphine, cocaine, heroin, opium, cannabis, barbiturates, amphetamines, tranquilizers, or hallucinogens, and the resultant physiological or psychological dependency that develops with continued use of the addictive substance and that requires medical care or other appropriate treatment as determined by a licensed addiction counselor or other appropriate medical practitioner.

(9) "Substance use disorder benefits" means benefits with respect to items or services for substance use disorders, as defined under the terms of the plan or health insurance coverage and in accordance with applicable federal and state law. Any disorder defined by the plan as being or as not being a substance use disorder must be defined to be consistent with generally recognized independent standards of current medical practice, including but not limited to the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders.

~~(8)~~(10) "Substance use disorder treatment center" means a treatment facility that:

- (a) provides a program for the treatment of substance use disorders pursuant to a written treatment plan approved and monitored by a qualified health care provider; and
- (b) is licensed or approved by the department of public health and human services under 53-24-208 or is licensed or approved by the state where the facility is located."

Section 3. Section 33-35-306, MCA, is amended to read:

"33-35-306. Application of insurance code to arrangements. (1) In addition to this chapter, self-funded multiple employer welfare arrangements are subject to the following provisions:

- (a) 33-1-111;
- (b) Title 33, chapter 1, part 4, but the examination of a self-funded multiple employer welfare arrangement is limited to those matters to which the arrangement is subject to regulation under this chapter;

- (c) Title 33, chapter 1, part 7;
- (d) Title 33, chapter 2, part 23;
- (e) 33-3-308;
- (f) Title 33, chapter 7;
- (g) Title 33, chapter 18, except 33-18-242;
- (h) Title 33, chapter 19;
- (i) 33-22-107, 33-22-131, 33-22-134, 33-22-135, 33-22-138, 33-22-139, 33-22-141, 33-22-142, 33-22-152, and 33-22-153; ~~and~~
- (j) 33-22-512, 33-22-515, 33-22-525, and 33-22-526; and
- (k) [section 1].

(2) Except as provided in this chapter, other provisions of Title 33 do not apply to a self-funded multiple employer welfare arrangement that has been issued a certificate of authority that has not been revoked."

Section 4. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 33, chapter 22, part 7, and the provisions of Title 33, chapter 22, part 7, apply to [section 1].

Section 5. Contingent effective date. [This act] is effective on the date that the commissioner of securities and insurance certifies to the code commissioner that regulations or guidance implementing the mental health and substance use disorder parity analysis requirements of Title II of Division BB of the federal Consolidated Appropriations Act, 2021 (P.L.116-260) is finalized. The commissioner of securities and insurance shall submit certification within 30 days of the occurrence of the contingency.

Section 6. Applicability. [This act] applies to insurance policies issued, modified, and renewed on or after [the effective date of this act].

- END -

I hereby certify that the within bill,
SB 216, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2021.

Speaker of the House

Signed this _____ day
of _____, 2021.

SENATE BILL NO. 216

INTRODUCED BY J. SMALL

AN ACT GENERALLY REVISING LAWS RELATED TO REQUIRING HEALTH INSURANCE ISSUERS TO PROVIDE PARITY COMPLIANCE REPORTING; REQUIRING A DESCRIPTION OF THE PROCESS USED TO SELECT MEDICAL NECESSITY CRITERIA; REQUIRING IDENTIFICATION OF NONQUANTITATIVE TREATMENT LIMITATIONS; REQUIRING THE REPORTING OF ANALYSIS RESULTS; AMENDING SECTIONS 33-22-702 AND 33-35-306, MCA; AND PROVIDING AN IMMEDIATE A CONTINGENT EFFECTIVE DATE AND AN APPLICABILITY DATE.