

SENATE, No. 2167

STATE OF NEW JERSEY

INTRODUCED JUNE 12, 1997

By Senators BASSANO and CODEY

1 AN ACT concerning health insurance benefits for mental health and  
2 supplementing various parts of the statutory law.

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

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7 1. Every individual and group hospital service corporation contract  
8 that provides hospital or medical expense benefits and is delivered,  
9 issued, executed or renewed in this State pursuant to P.L.1938, c.366  
10 (C.17:48-1 et seq.), or approved for issuance or renewal in this State  
11 by the Commissioner of Banking and Insurance, on or after the  
12 effective date of this act shall provide coverage for mental illness  
13 under the same terms and conditions as provided for any other  
14 sickness under the contract. "Mental illness" means the same as  
15 defined in the Diagnostic and Statistical Manual of Mental Disorders.

16 The provisions of this section shall apply to all contracts in which  
17 the hospital service corporation has reserved the right to change the  
18 premium.

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20 2. Every individual and group medical service corporation contract  
21 that provides hospital or medical expense benefits that is delivered,  
22 issued, executed or renewed in this State pursuant to P.L.1940, c.74  
23 (C.17:48A-1 et seq.), or approved for issuance or renewal in this State  
24 by the Commissioner of Banking and Insurance, on or after the  
25 effective date of this act shall provide coverage for mental illness  
26 under the same terms and conditions as provided for any other  
27 sickness under the contract. "Mental illness" means the same as  
28 defined in the Diagnostic and Statistical Manual of Mental Disorders.

29 The provisions of this section shall apply to all contracts in which  
30 the medical service corporation has reserved the right to change the  
31 premium.

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33 3. Every individual and group health service corporation contract  
34 that provides hospital or medical expense benefits and is delivered,  
35 issued, executed or renewed in this State pursuant to P.L.1985, c.236  
36 (C.17:48E-1 et seq.), or approved for issuance or renewal in this State  
37 by the Commissioner of Banking and Insurance, on or after the

1 effective date of this act shall provide coverage for mental illness  
2 under the same terms and conditions as provided for any other  
3 sickness under the contract. "Mental illness" means the same as  
4 defined in the Diagnostic and Statistical Manual of Mental Disorders.

5 The provisions of this section shall apply to all contracts in which  
6 the health service corporation has reserved the right to change the  
7 premium.

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9 4. a. Every individual health insurance policy that provides  
10 hospital or medical expense benefits and is delivered, issued, executed  
11 or renewed in this State pursuant to chapter 26 of Title 17B of the  
12 New Jersey Statutes, or approved for issuance or renewal in this State  
13 by the Commissioner of Banking and Insurance, on or after the  
14 effective date of this act shall provide coverage for mental illness  
15 under the same terms and conditions as provided for any other  
16 sickness under the contract. "Mental illness" means the same as  
17 defined in the Diagnostic and Statistical Manual of Mental Disorders.

18 The provisions of this section shall apply to all policies in which the  
19 insurer has reserved the right to change the premium.

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21 5. Every group health insurance policy that provides hospital or  
22 medical expense benefits and is delivered, issued, executed or renewed  
23 in this State pursuant to chapter 27 of Title 17B of the New Jersey  
24 Statutes, or approved for issuance or renewal in this State by the  
25 Commissioner of Banking and Insurance, on or after the effective date  
26 of this act shall provide benefits for mental illness under the same  
27 terms and conditions as provided for any other sickness under the  
28 policy. "Mental illness" means the same as defined in the Diagnostic  
29 and Statistical Manual of Mental Disorders.

30 The provisions of this section shall apply to all policies in which the  
31 insurer has reserved the right to change the premium.

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33 6. Every individual health benefits plan that provides hospital or  
34 medical expense benefits and is delivered, issued, executed or renewed  
35 in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et seq.) or  
36 approved for issuance or renewal in this State on or after the effective  
37 date of this act shall provide benefits for mental illness under the same  
38 terms and conditions as provided for any other sickness under the  
39 health benefits plan. "Mental illness" means the same as defined in the  
40 Diagnostic and Statistical Manual of Mental Disorders.

41 The provisions of this section shall apply to all health benefits plans  
42 in which the carrier has reserved the right to change the premium.

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44 7. Every small employer health benefits plan that provides hospital  
45 or medical expense benefits and is delivered, issued, executed or  
46 renewed in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et

1 seq.) or approved for issuance or renewal in this State on or after the  
2 effective date of this act shall provide benefits for mental illness under  
3 the same terms and conditions as provided for any other sickness  
4 under the health benefits plan. "Mental illness" means the same as  
5 defined in the Diagnostic and Statistical Manual of Mental Disorders.

6 The provisions of this section shall apply to all health benefits plans  
7 in which the carrier has reserved the right to change the premium.

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9 8. Every enrollee agreement delivered, issued, executed or renewed  
10 in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.) or  
11 approved for issuance or renewal in this State by the Commissioner of  
12 Health and Senior Services, on or after the effective date of this act  
13 shall provide health care services for mental illness under the same  
14 terms and conditions as provided for any other sickness under the  
15 agreement. "Mental illness" means the same as defined in the  
16 Diagnostic and Statistical Manual of Mental Disorders.

17 The provisions of this section shall apply to enrollee agreements in  
18 which the health maintenance organization has reserved the right to  
19 change the premium.

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21 9. An employer in this State who provides health benefits coverage  
22 to his employees or their dependents for treatment of mental illness  
23 shall annually, and upon request of an employee at other times during  
24 the year, notify his employees whether the employees' coverage for  
25 treatment of mental illness is subject to the requirements of this act.

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27 10. This act shall take effect on the 90th day after enactment and  
28 shall apply to contracts, policies and enrollee agreements issued or  
29 renewed on or after that date.

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32 STATEMENT

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34 This bill requires hospital service corporations, medical service  
35 corporations, health service corporations, commercial individual and  
36 group health insurers, health maintenance organizations and health  
37 benefits plans issued pursuant to the New Jersey Individual Health  
38 Coverage and Small Employer Health Benefits Programs to provide  
39 health benefits coverage for the treatment of mental illness under the  
40 same terms and conditions as provided for any other sickness. By  
41 requiring health benefits coverage for the treatment of mental illness,  
42 the bill promotes the relief and alleviation of health and medical  
43 problems which affect a significant portion of the population.

44 The bill defines "mental illness" as it is defined in the Diagnostic  
45 and Statistical Manual of Mental Disorders.

46 The bill also provides that an employer in this State who provides

1 health benefits coverage to his employees or their dependents for  
2 treatment of mental illness shall annually, and upon request of an  
3 employee at other times during the year, notify his employees whether  
4 the employees' coverage for treatment of mental illness is subject to  
5 the requirements of the bill.

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10 Requires health insurers to provide mental health benefits under the  
11 same terms and conditions as for other illnesses and diseases.