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HOUSE BILL NO. 1704

Offered January 17, 2020

A BILL to amend and reenact § 38.2-4319 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 38.2-3418.18, relating to health insurance; coverage for case management services and peer support services.

Patron—Kory

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:

1. That § 38.2-4319 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 38.2-3418.18 as follows:

§ 38.2-3418.18. Coverage for case management services and peer support services.

A. Notwithstanding the provisions of § 38.2-3419, each insurer proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical, or major medical coverage on an expense-incurred basis; each corporation providing individual or group accident and sickness subscription contracts; and each health maintenance organization providing a health care plan for health care services shall provide coverage under any such policy, contract, or plan for (i) case management services that are prescribed by a licensed physician for a covered individual who has a primary diagnosis of a substance abuse disorder and (ii) peer support services for any covered person who has a primary diagnosis of a mental health disorder other than substance abuse disorder.

B. As used in this section:

"Case management services" has the meaning ascribed thereto in subsection D of 12VAC30-50-491.

"Covered individual" means a policyholder, subscriber, enrollee, participant, or other individual covered by an insurance policy, subscription contract, or health care plan described in subsection A.

"Peer support services" means nonmedical mental health care services provided by peer support specialists on an outpatient basis.

C. The required coverage for case management services shall require reimbursement only for such services as are provided by a case management provider licensed by the Department of Behavioral Health and Developmental Services.

D. Reimbursements for services required to be covered by this section shall be determined according to the same formula by which reimbursements are developed for other medical and surgical procedures. Such coverage shall have durational limits, deductibles, and coinsurance factors that are no less favorable than for physical illness generally.

E. The provisions of this section shall apply to all insurance policies, subscription contracts, and health care plans delivered, issued for delivery, reissued, extended, or renewed in the Commonwealth on or after January 1, 2021, and to all such policies, contracts, or plans to which a term is changed or any premium adjustment is made on or after such date.

F. The provisions of this section shall not apply to short-term travel, accident-only, or limited or specified disease policies; contracts designed for issuance to persons eligible for coverage under Title XVIII of the Social Security Act, known as Medicare, or any other similar coverage under state or federal governmental plans; or short-term nonrenewable policies of not more than six months' duration.

§ 38.2-4319. Statutory construction and relationship to other laws.

A. No provisions of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-100, 38.2-136, 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-216, 38.2-218 through 38.2-225, 38.2-229, 38.2-232, 38.2-305, 38.2-316, 38.2-316.1, 38.2-322, 38.2-325, 38.2-326, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, Chapter 9 (§ 38.2-900 et seq.), §§ 38.2-1016.1 through 38.2-1023, 38.2-1057, 38.2-1306.1, Article 2 (§ 38.2-1306.2 et seq.), § 38.2-1315.1, Articles 3.1 (§ 38.2-1316.1 et seq.), 4 (§ 38.2-1317 et seq.), 5 (§ 38.2-1322 et seq.), 5.1 (§ 38.2-1334.3 et seq.), and 5.2 (§ 38.2-1334.11 et seq.) of Chapter 13, Articles 1 (§ 38.2-1400 et seq.), 2 (§ 38.2-1412 et seq.), and 4 (§ 38.2-1446 et seq.) of Chapter 14, Chapter 15 (§ 38.2-1500 et seq.), Chapter 17 (§ 38.2-1700 et seq.), §§ 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3405, 38.2-3405.1, 38.2-3406.1, 38.2-3407.2 through 38.2-3407.6:1, 38.2-3407.9 through 38.2-3407.20, 38.2-3411, 38.2-3411.2, 38.2-3411.3, 38.2-3411.4, 38.2-3412.1, 38.2-3414.1, 38.2-3418.1 through 38.2-3418.17 38.2-3418.18, 38.2-3419.1, 38.2-3430.1 through 38.2-3454, Article 8 (§ 38.2-3461 et seq.) of Chapter 34, 38.2-3500, subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504, §§ 38.2-3514.1, 38.2-3514.2, 38.2-3522.1 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3540.2,

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59 38.2-3541.2, 38.2-3542, 38.2-3543.2, Article 5 (§ 38.2-3551 et seq.) of Chapter 35, Chapter 35.1
60 (§ 38.2-3556 et seq.), Chapter 52 (§ 38.2-5200 et seq.), Chapter 55 (§ 38.2-5500 et seq.), and Chapter 58
61 (§ 38.2-5800 et seq.) shall be applicable to any health maintenance organization granted a license under
62 this chapter. This chapter shall not apply to an insurer or health services plan licensed and regulated in
63 conformance with the insurance laws or Chapter 42 (§ 38.2-4200 et seq.) except with respect to the
64 activities of its health maintenance organization.

65 B. For plans administered by the Department of Medical Assistance Services that provide benefits
66 pursuant to Title XIX or Title XXI of the Social Security Act, as amended, no provisions of this title
67 except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-100, 38.2-136,
68 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-216, 38.2-218 through 38.2-225, 38.2-229,
69 38.2-232, 38.2-322, 38.2-325, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600
70 through 38.2-620, Chapter 9 (§ 38.2-900 et seq.), §§ 38.2-1016.1 through 38.2-1023, 38.2-1057,
71 38.2-1306.1, Article 2 (§ 38.2-1306.2 et seq.), § 38.2-1315.1, Articles 3.1 (§ 38.2-1316.1 et seq.), 4
72 (§ 38.2-1317 et seq.), 5 (§ 38.2-1322 et seq.), 5.1 (§ 38.2-1334.3 et seq.), and 5.2 (§ 38.2-1334.11 et
73 seq.) of Chapter 13, Articles 1 (§ 38.2-1400 et seq.), 2 (§ 38.2-1412 et seq.), and 4 (§ 38.2-1446 et
74 seq.) of Chapter 14, §§ 38.2-3401, 38.2-3405, 38.2-3407.2 through 38.2-3407.5, 38.2-3407.6,
75 38.2-3407.6:1, 38.2-3407.9, 38.2-3407.9:01, and 38.2-3407.9:02, subdivisions F 1, F 2, and F 3 of
76 § 38.2-3407.10, §§ 38.2-3407.11, 38.2-3407.11:3, 38.2-3407.13, 38.2-3407.13:1, 38.2-3407.14,
77 38.2-3411.2, 38.2-3418.1, 38.2-3418.2, 38.2-3419.1, 38.2-3430.1 through 38.2-3437, 38.2-3500,
78 subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504, §§ 38.2-3514.1, 38.2-3514.2, 38.2-3522.1
79 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3540.2, 38.2-3541.2, 38.2-3542, 38.2-3543.2, Chapter
80 52 (§ 38.2-5200 et seq.), Chapter 55 (§ 38.2-5500 et seq.), and Chapter 58 (§ 38.2-5800 et seq.) shall be
81 applicable to any health maintenance organization granted a license under this chapter. This chapter shall
82 not apply to an insurer or health services plan licensed and regulated in conformance with the insurance
83 laws or Chapter 42 (§ 38.2-4200 et seq.) except with respect to the activities of its health maintenance
84 organization.

85 C. Solicitation of enrollees by a licensed health maintenance organization or by its representatives
86 shall not be construed to violate any provisions of law relating to solicitation or advertising by health
87 professionals.

88 D. A licensed health maintenance organization shall not be deemed to be engaged in the unlawful
89 practice of medicine. All health care providers associated with a health maintenance organization shall
90 be subject to all provisions of law.

91 E. Notwithstanding the definition of an eligible employee as set forth in § 38.2-3431, a health
92 maintenance organization providing health care plans pursuant to § 38.2-3431 shall not be required to
93 offer coverage to or accept applications from an employee who does not reside within the health
94 maintenance organization's service area.

95 F. For purposes of applying this section, "insurer" when used in a section cited in subsections A and
96 B shall be construed to mean and include "health maintenance organizations" unless the section cited
97 clearly applies to health maintenance organizations without such construction.