NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

SENATE BILL 07-036

BY SENATOR(S) Keller, Boyd, Fitz-Gerald, Groff, Morse, Romer, Shaffer, Tapia, Tochtrop, Williams, Windels, and Schwartz;
also REPRESENTATIVE(S) Stafford, Borodkin, Butcher, Carroll M., Casso, Frangas, Gallegos, Gibbs, Jahn, Kefalas, Labuda, Madden, McGihon, Merrifield, Primavera, Roberts, Romanoff, Solano, and Todd.

CONCERNING THE INCLUSION OF CERTAIN ADDITIONAL MENTAL DISORDERS IN THE MANDATORY HEALTH INSURANCE COVERAGE FOR MENTAL ILLNESS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 10-16-104 (5.5) (a), Colorado Revised Statutes, is amended to read:

10-16-104. Mandatory coverage provisions. (5.5) **Biologically based mental illness and mental disorders.** (a) (I) Every group policy, plan certificate, and contract of a carrier subject to the provisions of part 2, 3, or 4 of this article, except those described in section 10-16-102 (21) (b), shall provide coverage for the treatment of biologically based mental illness that is no less extensive than the coverage provided for ~~any other~~ A physical illness.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(II) EVERY GROUP POLICY, PLAN CERTIFICATE, AND CONTRACT OF A CARRIER SUBJECT TO THE PROVISIONS OF PART 2, 3, OR 4 OF THIS ARTICLE, EXCEPT A SMALL GROUP PLAN, AS DEFINED IN SECTION 10-16-102 (42), AND A POLICY OR PLAN AS DESCRIBED IN SECTION 10-16-102 (21) (b), SHALL PROVIDE COVERAGE FOR THE TREATMENT OF MENTAL DISORDERS THAT IS NO LESS EXTENSIVE THAN THE COVERAGE PROVIDED FOR A PHYSICAL ILLNESS.

(III) Any preauthorization or utilization review mechanism used in the determination to provide ~~such~~ THE coverage REQUIRED BY THIS PARAGRAPH (a) shall be the same as, or no more restrictive than, that used in the determination to provide coverage for ~~any other~~ A physical illness; EXCEPT THAT A CARRIER THAT DOES NOT USE UTILIZATION REVIEW MECHANISMS IN DETERMINING WHETHER TO PROVIDE COVERAGE FOR A PHYSICAL ILLNESS MAY USE UTILIZATION REVIEW MECHANISMS FOR DETERMINING WHETHER TO PROVIDE COVERAGE FOR DRUG AND ALCOHOL DISORDERS AND EATING DISORDERS AS PART OF THE REQUIRED COVERAGE FOR MENTAL DISORDERS. The commissioner shall adopt such rules as are necessary to carry out the provisions of this subsection (5.5). In promulgating such rules, the commissioner shall recognize that the substance of the mechanisms for preauthorization or utilization review may differ between medical specialties and that such mechanisms shall not be more restrictive with respect to a covered person or a mental health provider for a determination under this ~~subparagraph (I)~~ PARAGRAPH (a) than for any other physical illness.

~~(II)~~ (IV) As used in this subsection (5.5):

(A) "Biologically based mental illness" means schizophrenia, schizoaffective disorder, bipolar affective disorder, major depressive disorder, specific obsessive-compulsive disorder, and panic disorder.

(B) "MENTAL DISORDER" MEANS POSTTRAUMATIC STRESS DISORDER, DRUG AND ALCOHOL DISORDERS, DYSTHYMIA, CYCLOTHYMIA, SOCIAL PHOBIA, AGORAPHOBIA WITH PANIC DISORDER, AND GENERAL ANXIETY DISORDER. THE TERM INCLUDES ANOREXIA NERVOSA AND BULIMIA NERVOSA TO THE EXTENT THOSE DIAGNOSES ARE TREATED ON AN OUT-PATIENT, DAY TREATMENT, AND IN-PATIENT BASIS, EXCLUSIVE OF RESIDENTIAL TREATMENT.

SECTION 2. 10-16-104 (5.5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

10-16-104. Mandatory coverage provisions. (5.5) **Biologically based mental illness and mental disorders.** (c) THE HEALTH CARE SERVICE PLAN ISSUED BY AN ENTITY SUBJECT TO THE PROVISIONS OF PART 4 OF THIS ARTICLE MAY PROVIDE THAT THE BENEFITS REQUIRED PURSUANT TO THIS SUBSECTION (5.5) SHALL BE COVERED BENEFITS ONLY IF THE SERVICES ARE RENDERED BY A PROVIDER WHO IS DESIGNATED BY AND AFFILIATED WITH THE HEALTH MAINTENANCE ORGANIZATION.

SECTION 3. Appropriation - adjustments to the 2007 long bill. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of health care policy and financing, indigent care program, children's basic health plan trust, created pursuant to section 25.5-8-105 (1), Colorado Revised Statutes, for the fiscal year beginning July 1, 2007, the sum of eleven thousand eleven dollars ($11,011), or so much thereof as may be necessary, for the implementation of this act.

(2) In addition to any other appropriation, there is hereby appropriated, to the department of health are policy and financing, indigent care program, for children's basic health plan premium costs, for the fiscal year beginning July 1, 2007, the sum of thirty-one thousand four hundred fifty-nine dollars ($31,459), or so much thereof as may be necessary, for the implementation of this act. Of said sum, eleven thousand eleven dollars ($11,011) shall be cash funds exempt from the children's basic health plan trust, created pursuant to section 25.5-8-105 (1), Colorado Revised Statutes, and twenty thousand four hundred forty-eight dollars ($20,448) shall be from federal funds.

(3) For the implementation of this act, the appropriation made in section 21 of the annual general appropriation act for the fiscal year beginning July 1, 2007, shall be adjusted as follows: The general fund appropriation to the controlled maintenance trust fund is decreased by eleven thousand eleven dollars ($11,011).

SECTION 4. Effective date - applicability. This act shall take effect January 1, 2008, and shall apply to group health insurance policies, plans, or contracts offered, issued, or renewed on or after said date.

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Joan Fitz-Gerald PRESIDENT OF THE SENATE	Andrew Romanoff SPEAKER OF THE HOUSE OF REPRESENTATIVES
Karen Goldman SECRETARY OF THE SENATE	Marilyn Eddins CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES

APPROVED_____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO