

**FIRST ENGROSSMENT
with Senate Amendments**

Fifty-sixth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1396

Introduced by

Representative R. Kelsch

1 A BILL for an Act to amend and reenact section 26.1-36-09 of the North Dakota Century Code,
2 relating to insurance coverage for treatment of mental disorders.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 26.1-36-09 of the 1997 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **26.1-36-09. Group health policy and health service contract mental disorder**
7 **coverage.**

- 8 1. An insurance company, nonprofit health service corporation, or health
9 maintenance organization may not deliver, issue, execute, or renew any health
10 insurance policy or health service contract on a group or blanket or franchise or
11 association basis unless the policy or contract provides benefits, of the same type
12 offered under the policy or contract for other illnesses, for health services to any
13 person covered under the policy or contract, for the diagnosis, evaluation, and
14 treatment of mental disorder and other related illness, which benefits meet or
15 exceed the benefits provided in subsection 2.
- 16 2. a. The benefits must be provided for each of the following services: inpatient
17 treatment, treatment by partial hospitalization, residential treatment, and
18 outpatient treatment.
- 19 b. In the case of benefits provided for inpatient treatment, the benefits must be
20 provided for a minimum of ~~sixty~~ forty-five days of services covered under this
21 section and section 26.1-36-08 in any calendar year if provided by a hospital
22 as defined ~~in subsection 25 of~~ under section 52-01-01 and rules of the state
23 department of health pursuant thereto offering treatment for the prevention or
24 cure of mental disorder or other related illness. An insurance provider may

- 1 require an individualized treatment plan from the inpatient treatment service
2 provider which indicates that the course of treatment is the most appropriate
3 and least restrictive form of treatment available in the community.
- 4 c. In the case of benefits provided for partial hospitalization ~~or residential~~
5 ~~treatment~~, the benefits must be provided for a minimum of one hundred
6 twenty days of services covered under this section and section 26.1-36-08 in
7 any calendar year ~~if~~. Partial hospitalization must be provided by a hospital as
8 defined in ~~subsection 25 of~~ under section 52-01-01 and rules of the state
9 department of health pursuant thereto or by a regional human service center
10 licensed under section 50-06-05.2, offering treatment for the prevention or
11 cure of mental disorder or other related illness, ~~or by a residential treatment~~
12 ~~program~~. For services provided in regional human service centers, charges
13 must be reasonably similar to the charges for care provided by hospitals as
14 defined in this subsection.
- 15 d. ~~Benefits must be provided for a combination of inpatient hospitalization,~~
16 ~~partial hospitalization, and residential treatment~~ In the case of benefits
17 provided for residential treatment, the benefits must be provided for a
18 minimum of one hundred twenty days of services covered under this section
19 in any calendar year. Residential treatment services must be provided by a
20 hospital as defined under section 52-01-01 and rules of the state department
21 of health; by a regional human service center licensed under section
22 50-06-05.2 offering treatment for the prevention or cure of mental disorder or
23 other related illness; or by a residential treatment program. For services
24 provided in a regional human service center, charges must be reasonably
25 similar to the charges for care provided by a hospital as defined in this
26 subsection.
- 27 e. Any individual receiving residential treatment services who requires
28 residential treatment service beyond the minimum of one hundred twenty
29 days may trade unused patient treatment benefits provided for under
30 subdivision b. For the purpose of computing the period for which benefits are
31 payable, each day of inpatient treatment is equivalent to two days of

1 treatment by ~~partial hospitalization or a residential treatment program~~;
2 provided, however, that no more than ~~forty-six~~ twenty-three days of the
3 inpatient treatment benefits required by this section may be traded for
4 ~~treatment by partial hospitalization or residential treatment~~ services.

- 5 e. f. (1) In the case of benefits provided for outpatient treatment, the benefits
6 must be provided for a minimum of thirty hours for services covered
7 under this section in any calendar year if the treatment services are
8 provided within the scope of licensure by a nurse who holds advanced
9 licensure with a scope of practice within mental health or if the
10 diagnosis, evaluation, and treatment services are provided within the
11 scope of licensure by a licensed physician, a licensed psychologist who
12 is eligible for listing on the national register of health service providers
13 in psychology, or a licensed independent clinical social worker.
- 14 (2) A person who is qualified for third-party payment by the board of social
15 work examiners on August 1, 1997, is exempt from paragraph 1.
- 16 (3) Upon the request of an insurance company, a nonprofit health service
17 corporation, or a health maintenance organization, the North Dakota
18 board of social work examiners shall provide to the requesting entity
19 information to certify that a licensed certified social worker meets the
20 qualifications required under this section.
- 21 (4) The insurance company, nonprofit health service corporation, or health
22 maintenance organization may not establish a deductible or a
23 copayment for the first five hours in any calendar year, and may not
24 establish a copayment greater than twenty percent for the remaining
25 hours.
- 26 (5) If the services are provided by a provider outside a preferred provider
27 network without a referral from within the network, the insurance
28 company, nonprofit health service corporation, or health maintenance
29 organization may establish a copayment greater than twenty percent
30 for only those hours after the first five hours in any calendar year.

