

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. After fourteen consecutive

1                   days of inpatient treatment, an insurance provider may require an  
2                   individualized treatment plan from the inpatient treatment service provider  
3                   which indicates that the course of treatment is the most appropriate and least  
4                   restrictive form of treatment available in the community.

5                   c. In the case of benefits provided for partial hospitalization ~~or residential~~  
6                   ~~treatment~~, the benefits must be provided for a minimum of one hundred  
7                   twenty days of services covered under this section and section 26.1-36-08 in  
8                   any calendar year if. Partial hospitalization must be provided by a hospital as  
9                   ~~defined in subsection 25 of~~ under section 52-01-01 and rules of the state  
10                   department of health pursuant thereto or by a regional human service center  
11                   licensed under section 50-06-05.2, offering treatment for the prevention or  
12                   cure of mental disorder or other related illness, ~~or by a residential treatment~~  
13                   ~~program~~. For services provided in regional human service centers, charges  
14                   must be reasonably similar to the charges for care provided by hospitals as  
15                   defined in this subsection.

16                   d. ~~Benefits must be provided for a combination of inpatient hospitalization,~~  
17                   ~~partial hospitalization, and residential treatment~~ In the case of benefits  
18                   provided for residential treatment, the benefits must be provided for a  
19                   minimum of one hundred twenty days of services covered under this section  
20                   and section 21.6-36-08 in any calendar year. Residential treatment services  
21                   must be provided by a hospital as defined under section 52-01-01 and rules  
22                   of the state department of health; by a regional human service center licensed  
23                   under section 50-06-05.2 offering treatment for the prevention or cure of  
24                   mental disorder or other related illness; or by a residential treatment program.  
25                   For services provided in a regional human service center, charges must be  
26                   reasonably similar to the charges for care provided by a hospital as defined in  
27                   this subsection.

28                   e. Any individual receiving residential treatment services who requires  
29                   residential treatment service beyond the minimum of one hundred twenty  
30                   days may trade unused patient treatment benefits provided for under  
31                   subdivision b. For the purpose of computing the period for which benefits are

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

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

