## **BILL ANALYSIS**

Senate Research Center 76R6572 DB-F

S.B. 569 By: Nelson Economic Development 3/18/1999 As Filed

#### **DIGEST**

Currently, a health benefit plan maintains reimbursement requirements for an enrollee or a health provider. In a mental health plan, for example, a company may require a representative to observe an enrollee's psychotherapy session or require the mental health provider to submit its progress notes from the session. Although Texas Department of Insurance (TDI) rules prohibit utilization review agents from using progress notes or observing therapy sessions, codification of the TDI rules would expand some prohibitions against certain mental health field practices. S.B. 569 would prohibit an insurance company representative from observing therapy sessions and prevent certain providers from being required to submit their notes as a condition of reimbursement.

## **PURPOSE**

As proposed, S.B. 569 prohibits insurance company representatives from observing therapy sessions and prevents certain providers from being required to submit their notes as a condition of reimbursement.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the commissioner of insurance in SECTION 1 (Section 4, Article 21.53S, Insurance Code) of this bill.

# **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 21E, Insurance Code, by adding Article 21.53S, as follows:

## Art. 21.53S. RESTRICTIONS APPLICABLE TO CERTAIN MENTAL HEALTH SERVICES

- Sec. 1. DEFINITIONS. Defines "enrollee" and "health benefit plan."
- Sec. 2. SCOPE OF ARTICLE. Establishes that this article applies only to certain health benefit plans including individual or group insurance policies, agreements, hospital service contracts, and other similar coverages. Sets forth types of similar health coverage. Sets forth plan types that do not apply to this article.
- Sec. 3. CERTAIN REQUIREMENTS RELATING TO MENTAL HEALTH SERVICES PROHIBITED. Prohibits a health benefit plan issuer from requiring observation of a mental health service, including a psychotherapy session, by the issuer, or requiring an enrollee to provide process or progress notes of the mental health care provider, as a condition of coverage.
- Sec. 4. RULES. Authorizes the commissioner of insurance to adopt rules to implement this article.
- SECTION 2. Makes application of this Act prospective.
- SECTION 3. Emergency clause.

Effective date: upon passage.