

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

H

2

HOUSE BILL 382
Committee Substitute Favorable 5/5/89

Short Title: Insurance/No Bias.

(Public)

Sponsors:

Referred to:

February 27, 1989

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT NO PERSON MAY, BECAUSE OF MENTAL ILLNESS OR CHEMICAL DEPENDENCY, BE DENIED COVERAGE FOR MEDICAL ILLNESS OR INJURY BY HEALTH INSURANCE OR A HEALTH MAINTENANCE ORGANIZATION, OR HAVE PREMIUMS FOR MEDICAL COVERAGE INCREASED OR BENEFITS REDUCED BECAUSE OF THAT.

The General Assembly of North Carolina enacts:

Section 1. With respect to group contracts covering 20 or more employees, hospital, dental, medical or health service contracts issued, renewed, or amended on or after January 1, 1990, Chapter 57 of the General Statutes is amended by adding a new section to read:

"§ 57-7.4. No discrimination against the mentally ill and chemically dependent.

(a) As used in this section, the term:

(1) 'Mental illness' has the same meaning as defined in G.S. 122C-3(21);

and

(2) 'Chemical dependency' has the same meaning as defined in G.S. 57-

7.3

with a diagnosis found in the Diagnostic and Statistical Manual of Mental Disorders DSM-3-R or the International Classification of Diseases ICD/9/CM, or a later edition of those manuals.

(b) No hospital, medical, dental or health service corporation governed by this Chapter shall, solely because an individual to be insured has or had a mental illness or chemical dependency:

- 1 (1) Refuse to issue or deliver to that individual any individual or group
2 hospital, dental, medical or health service contract in this State that
3 affords benefits or coverage for medical treatment or service for
4 physical illness or injury;
5 (2) Have a higher premium rate or charge for physical illness or injury
6 coverages or benefits for that individual; or
7 (3) Reduce physical illness or injury coverages or benefits for that
8 individual.

9 (c) Nothing in this section prevents any hospital or medical plan from excluding
10 from coverage any physical illness or injury or mental illness or chemical dependency
11 which has existed previous to coverage of the individual by the hospital or medical plan
12 or from refusing to issue or deliver to that individual any policy because of the
13 underwriting of any physical condition whether or not related to mental illness or
14 chemical dependency."

15 Sec. 2. With respect to group contracts covering 20 or more employees,
16 health maintenance organization contracts issued, renewed, or amended on or after
17 January 1, 1990, Chapter 57B of the General Statutes is amended by adding a new
18 section to read:

19 **"§ 57B-12.2. No discrimination against the mentally ill and chemically dependent.**

20 (a) As used in this section, the term:

- 21 (1) 'Mental illness' has the same meaning as defined in G.S. 122C-3(21);
22 and
23 (2) 'Chemical dependency' has the same meaning as defined in G.S. 57B-
24 12.1

25 with a diagnosis found in the Diagnostic and Statistical Manual of Mental Disorders
26 DSM-3-R or the International Classification of Diseases ICD/9/CM, or a later edition of
27 those manuals.

28 (b) No health maintenance organization governed by this Chapter shall, solely
29 because an individual has or had a mental illness or chemical dependency:

- 30 (1) Refuse to enroll that individual in any health care plan covering
31 physical illness or injury;
32 (2) Have a higher premium rate or charge for physical illness or injury
33 coverages or benefits for that individual; or
34 (3) Reduce physical illness or injury coverages or benefits for that
35 individual.

36 (c) Nothing in this section prevents any health maintenance organization from
37 excluding from coverage any physical illness or injury or mental illness or chemical
38 dependency which has existed previous to coverage of the individual by the health
39 maintenance organization or from refusing to issue or deliver to that individual any
40 policy because of the underwriting of any physical condition whether or not related to
41 mental illness or chemical dependency."

42 Sec. 3. With respect to group health insurance contracts covering 20 or more
43 employees, health insurance contracts issued, renewed, or amended on or after January
44 1, 1990, Chapter 58 of the General Statutes is amended by adding a new section to read:

1 **"§ 58-251.9. No discrimination against the mentally ill and chemically dependent.**

2 (a) As used in this section, the term:

3 (1) 'Mental illness' has the same meaning as defined in G.S. 122C-3(21);

4 and

5 (2) 'Chemical dependency' has the same meaning as defined in G.S. 58-
6 251.8

7 with a diagnosis found in the Diagnostic and Statistical Manual of Mental Disorders
8 DSM-3-R or the International Classification of Diseases ICD/9/CM, or a later edition of
9 those manuals.

10 (b) No insurance company licensed in this State pursuant to the provisions of
11 this Chapter shall, solely because an individual to be insured has or had a mental illness
12 or chemical dependency:

13 (1) Refuse to issue or deliver to that individual any policy (regardless of
14 whether any of such policies shall be defined as individual, family,
15 group, blanket, franchise, industrial or otherwise) that affords benefits
16 or coverages for any medical treatment or service for physical illness
17 or injury;

18 (2) Have a higher premium rate or charge for physical illness or injury
19 coverages or benefits for that individual; or

20 (3) Reduce physical illness or injury coverages or benefits for that
21 individual.

22 (c) Nothing in this section prevents any insurance company from excluding from
23 coverage any physical illness or injury or mental illness or chemical dependency which
24 has existed previous to coverage of the individual by the insurance company or from
25 refusing to issue or deliver to that individual any policy because of the underwriting of
26 any physical condition whether or not related to mental illness or chemical
27 dependency."

28 Sec. 4. This act is effective as provided herein.