

Fifty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2040

Introduced by

Legislative Council

(Insurance and Health Care Committee)

(Senators Mathern, Thane, Lee)  
(Representatives Glassheim, Mahoney)

1 A BILL for an Act to amend and reenact section 26.1-36-09 of the North Dakota Century Code,  
2 relating to group health policy and health service contract mental disorder coverage.

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

4 **SECTION 1. AMENDMENT.** Section 26.1-36-09 of the North Dakota Century Code is  
5 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 inpatient treatment ~~and~~, treatment by  
17 partial hospitalization, residential treatment, and outpatient treatment.
- 18 b. In the case of benefits provided for inpatient treatment, the benefits must be  
19 provided for a minimum of sixty days of services covered under this section  
20 and section 26.1-36-08 in any calendar year if provided by a hospital as  
21 defined in subsection 25 of section 52-01-01 and rules of the state  
22 department of health pursuant thereto offering treatment for the prevention or  
23 cure of mental disorder or other related illness.

- 1           c.    In the case of benefits provided for partial hospitalization or residential  
2           treatment, the benefits must be provided for a minimum of one hundred  
3           twenty days of services covered under this section and section 26.1-36-08 in  
4           any calendar year if provided by a hospital as defined in subsection 25 of  
5           section 52-01-01 and rules of the state department of health pursuant thereto  
6           or by a regional human service center licensed under section 50-06-05.2,  
7           offering treatment for the prevention or cure of mental disorder or other  
8           related illness, or by a residential treatment program. For services provided  
9           in regional human service centers, charges must be reasonably similar to the  
10          charges for care provided by hospitals as defined in this subsection.
- 11          d.    Benefits ~~may also~~ must be provided for a combination of inpatient ~~and~~  
12          hospitalization, partial hospitalization, and residential treatment. For the  
13          purpose of computing the period for which benefits are payable, each day of  
14          inpatient treatment is equivalent to two days of treatment by partial  
15          hospitalization or residential treatment; provided, however, that no more than  
16          forty-six days of the inpatient treatment benefits required by this section may  
17          be traded for treatment by partial hospitalization or residential treatment.
- 18          e.    (1)   In the case of benefits provided for outpatient treatment, the benefits  
19                must be provided for a minimum of thirty hours for services covered  
20                under this section in any calendar year if the treatment services are  
21                provided within the scope of licensure by a nurse who holds advanced  
22                licensure with a scope of practice within mental health or if the  
23                diagnosis, evaluation, and treatment services are provided within the  
24                scope of licensure by a licensed physician, a licensed psychologist who  
25                is eligible for listing on the national register of health service providers  
26                in psychology, or a licensed certified social worker who:
- 27                (a)   Possesses a master's or doctorate degree in social work from an  
28                institution accredited by the council of social work education;
- 29                (b)   Has at least one year of direct clinical social work practice during  
30                graduate school or one year of postgraduate supervised clinical  
31                social work practice in a structured teaching environment;

- 1 (c) Has completed at least the equivalent of four years of full-time  
2 supervised clinical social work experience within the last seven  
3 years;
- 4 (d) Has passed the clinical examination or its equivalent offered by  
5 the North Dakota board of social work examiners; and
- 6 (e) If not licensed in this state, is licensed, certified, or registered at  
7 the highest level of social work practice in another state.
- 8 (2) A person who is qualified for third-party payment by the board of social  
9 work examiners on August 1, 1995, is exempt from subparagraphs c  
10 and d. Supervision under subparagraph c may be provided by a  
11 qualified clinical social worker, a licensed psychologist, or a licensed  
12 psychiatrist, but the preferred supervisor is the qualified clinical social  
13 worker.
- 14 (3) Upon the request of an insurance company, a nonprofit health service  
15 corporation, or a health maintenance organization the North Dakota  
16 board of social work examiners shall provide to the requesting entity  
17 information to certify that a licensed certified social worker meets the  
18 qualifications required under this section.
- 19 (4) The insurance company, nonprofit health service corporation, or health  
20 maintenance organization may not establish a deductible or a  
21 copayment for the first five hours in any calendar year, and may not  
22 establish a copayment greater than twenty percent for the remaining  
23 hours.
- 24 (5) If the services are provided by a provider outside a preferred provider  
25 network without a referral from within the network, the insurance  
26 company, nonprofit health service corporation, or health maintenance  
27 organization may establish a copayment greater than twenty percent  
28 for only those hours after the first five hours in any calendar year.
- 29 f. "Partial hospitalization" means continuous treatment for at least three hours,  
30 but not more than twelve hours, in any twenty-four-hour period and includes

- 1                   the medically necessary treatment services provided by licensed  
2                   professionals under the supervision of a licensed physician.
- 3           g.   "Residential treatment" has the same meaning as provided in section  
4                25-03.2-01.
- 5           3.   This section does not prevent any insurance company, nonprofit health service  
6               corporation, or health maintenance organization from issuing, delivering, or  
7               renewing, at its option, any policy or contract containing provisions similar to those  
8               required by this section, where the policy or contract is not subject to such  
9               provisions.