

# State of South Dakota

SEVENTY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 1998

378B0065

## SENATE ENGROSSED NO. **HB1262** - 2/24/98

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsors.**

Introduced by: Representatives Fischer-Clemens, Broderick, Brooks, Brown (Jarvis), Crisp, Davis, Duenwald, Jorgensen, Kooistra, Moore, Munson (Donald), Pederson (Gordon), Roe, Smidt, Van Gerpen, Weber, and Wick and Senators Everist, Brown (Arnold), Flowers, Hunhoff, Lawler, Munson (David), Olson, and Whiting

1 FOR AN ACT ENTITLED, An Act to require health insurance coverage for mental illness.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 Section 1. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as  
4 follows:

5 Every policy of health insurance that is delivered, issued for delivery, or renewed in this state,  
6 except for policies that provide coverage for specified disease or other limited benefit coverage,  
7 shall provide, in writing, coverage for the treatment and diagnosis of biologically-based mental  
8 illnesses with the same dollar limits, deductibles, coinsurance factors, and restrictions as for other  
9 covered illnesses.

10 As used in this section, biologically-based mental illness means any mental illness which  
11 current medical research affirms is caused by a neurobiological disorder of the brain and which  
12 substantially impairs perception, cognitive function, judgment, and emotional stability and which  
13 limits the life activities of the person with the illness. The term includes schizophrenia; schizo

1 affective disorder; bipolar affective disorder; major depression; obsessive-compulsive disorder,  
2 and other anxiety disorders which cause significant impairment of function; and other disorders  
3 proven to be biologically-based mental illnesses.

4 Section 2. That chapter 58-18 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 Every group health insurance policy that is delivered, issued for delivery, or renewed in this  
7 state, except for policies that provide coverage for specified disease or other limited benefit  
8 coverage, shall provide, in writing, coverage for the treatment and diagnosis of biologically-  
9 based mental illnesses with the same dollar limits, deductibles, coinsurance factors, and  
10 restrictions as for other covered illnesses.

11 As used in this section, biologically-based mental illness means any mental illness which  
12 current medical research affirms is caused by a neurobiological disorder of the brain and which  
13 substantially impairs perception, cognitive function, judgment, and emotional stability and which  
14 limits the life activities of the person with the illness. The term includes schizophrenia; schizo  
15 affective disorder; bipolar affective disorder; major depression; obsessive-compulsive disorder,  
16 and other anxiety disorders which cause significant impairment of function; and other disorders  
17 proven to be biologically-based mental illnesses.

18 Section 3. That chapter 58-18B be amended by adding thereto a NEW SECTION to read  
19 as follows:

20 Every small employer health benefit plan that is delivered, issued for delivery, or renewed in  
21 this state, except for policies that provide coverage for specified disease or other limited benefit  
22 coverage, shall provide, in writing, coverage for the treatment and diagnosis of biologically-  
23 based mental illnesses with the same dollar limits, deductibles, coinsurance factors, and  
24 restrictions as for other covered illnesses.

25 As used in this section, biologically-based mental illness means any mental illness which

1 current medical research affirms is caused by a neurobiological disorder of the brain and which  
2 substantially impairs perception, cognitive function, judgment, and emotional stability and which  
3 limits the life activities of the person with the illness. The term includes schizophrenia; schizo  
4 affective disorder; bipolar affective disorder; major depression; obsessive-compulsive disorder,  
5 and other anxiety disorders which cause significant impairment of function; and other disorders  
6 proven to be biologically-based mental illnesses.

7 Section 4. That chapter 58-38 be amended by adding thereto a NEW SECTION to read as  
8 follows:

9 Every service or indemnity-type contract issued by a nonprofit medical and surgical service  
10 plan corporation that is delivered, issued for delivery, or renewed in this state, except for policies  
11 that provide coverage for specified disease or other limited benefit coverage, shall provide, in  
12 writing, coverage for the treatment and diagnosis of biologically-based mental illnesses with the  
13 same dollar limits, deductibles, coinsurance factors, and restrictions as for other covered  
14 illnesses.

15 As used in this section, biologically-based mental illness means any mental illness which  
16 current medical research affirms is caused by a neurobiological disorder of the brain and which  
17 substantially impairs perception, cognitive function, judgment, and emotional stability and which  
18 limits the life activities of the person with the illness. The term includes schizophrenia; schizo  
19 affective disorder; bipolar affective disorder; major depression; obsessive-compulsive disorder,  
20 and other anxiety disorders which cause significant impairment of function; and other disorders  
21 proven to be biologically-based mental illnesses.

22 Section 5. That chapter 58-40 be amended by adding thereto a NEW SECTION to read as  
23 follows:

24  
25 Every service or indemnity-type contract issued by a nonprofit hospital service plan

1 corporation that is delivered, issued for delivery, or renewed in this state, except for policies that  
2 provide coverage for specified disease or other limited benefit coverage, shall provide, in writing,  
3 coverage for the treatment and diagnosis of biologically-based mental illnesses with the same  
4 dollar limits, deductibles, coinsurance factors, and restrictions as for other covered illnesses.

5 As used in this section, biologically-based mental illness means any mental illness which  
6 current medical research affirms is caused by a neurobiological disorder of the brain and which  
7 substantially impairs perception, cognitive function, judgment, and emotional stability and which  
8 limits the life activities of the person with the illness. The term includes schizophrenia; schizo  
9 affective disorder; bipolar affective disorder; major depression; obsessive-compulsive disorder,  
10 and other anxiety disorders which cause significant impairment of function; and other disorders  
11 proven to be biologically-based mental illnesses.

12 Section 6. That chapter 58-41 be amended by adding thereto a NEW SECTION to read as  
13 follows:

14 Every health maintenance contract that is delivered, issued for delivery, or renewed in this  
15 state, except for policies that provide coverage for specified disease or other limited benefit  
16 coverage, shall provide, in writing, coverage for the treatment and diagnosis of biologically-  
17 based mental illnesses with the same dollar limits, deductibles, coinsurance factors, and  
18 restrictions as for other covered illnesses.

19 As used in this section, biologically-based mental illness means any mental illness which  
20 current medical research affirms is caused by a neurobiological disorder of the brain and which  
21 substantially impairs perception, cognitive function, judgment, and emotional stability and which  
22 limits the life activities of the person with the illness. The term includes schizophrenia; schizo  
23 affective disorder; bipolar affective disorder; major depression; obsessive-compulsive disorder,  
24 and other anxiety disorders which cause significant impairment of function; and other disorders  
25 proven to be biologically-based mental illnesses.

1 Section 7. The provisions of this Act do not apply to any plan, policy, or contract that  
2 provides coverage only for:

- 3 (1) Specified disease;
- 4 (2) Hospital indemnity;
- 5 (3) Fixed indemnity;
- 6 (4) Accident-only;
- 7 (5) Credit;
- 8 (6) Dental;
- 9 (7) Vision;
- 10 (8) Prescription drug;
- 11 (9) Medicare supplement;
- 12 (10) Long-term care;
- 13 (11) Disability income insurance;
- 14 (12) Coverage issued as a supplement to liability insurance;
- 15 (13) Workers' compensation or similar insurance;
- 16 (14) Automobile medical payment insurance; or
- 17 (15) Individual health benefit plans of six-months duration or less that are not renewable.

1 **BILL HISTORY**

2 1/23/98 First read in House and referred to Commerce. H.J. 197

3 2/5/98 Scheduled for Committee hearing on this date.

4 2/5/98 Commerce Do Pass, Passed, AYES 12, NAYS 0. H.J. 397

5 2/6/98 House of Representatives Deferred to another day. H.J. 443

6 2/12/98 Motion to Amend, Passed, AYES 33, NAYS 32. H.J. 614

7 2/12/98 Tabled amendment, AYES 48, NAYS 16. H.J. 618

8 2/12/98 House of Representatives Do Pass Amended, Passed, AYES 54, NAYS 12. H.J. 618

9 2/13/98 House of Representatives Hog Housed.

10 2/13/98 First read in Senate and referred to Health and Human Services. S.J. 511

11 2/20/98 Scheduled for Committee hearing on this date.

12 2/20/98 Health and Human Services Do Pass, Passed, AYES 6, NAYS 1. S.J. 619

13 2/23/98 Motion to Amend, Passed. S.J. 657

14 2/23/98 Senate Do Pass Amended, Passed, AYES 31, NAYS 4. S.J. 658