

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 382

Short Title: Insurance/No Bias.

(Public)

Sponsors: Representatives Locks; and S. Thompson.

Referred to: Commerce.

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. Effective with respect to individual or group 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, because an individual to be insured has or had a mental illness or chemical dependency:

(1) Refuse to issue or deliver to that individual any individual or group hospital, dental, medical or health service contract in this State that

- 1                   affords benefits or coverage for medical treatment or service for  
2                   physical illness or injury;  
3           (2)   Have a higher premium rate or charge for physical illness or injury  
4                   coverages or benefits for that individual; or  
5           (3)   Reduce physical illness or injury coverages or benefits for that  
6                   individual.  
7           (c)   Nothing in this section prevents any hospital or medical plan from excluding  
8           from coverage any physical illness or injury or mental illness or chemical dependency  
9           which has been diagnosed or treated previous to coverage of the individual by the  
10           hospital or medical plan."

11           Sec. 2. Effective with respect to benefits provided on or after January 1, 1990,  
12 Chapter 57B of the General Statutes is amended by adding a new section to read:

13 **"§ 57B-12.2. No discrimination against the mentally ill and chemically dependent.**

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

- 15           (1)   'Mental illness' has the same meaning as defined in G.S. 122C-3(21);  
16                   and  
17           (2)   'Chemical dependency' has the same meaning as defined in G.S. 57B-  
18                   12.1

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

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

- 24           (1)   Refuse to enroll that individual in any health care plan covering  
25                   physical illness or injury;  
26           (2)   Have a higher premium rate or charge for physical illness or injury  
27                   coverages or benefits for that individual; or  
28           (3)   Reduce physical illness or injury coverages or benefits for that  
29                   individual.

30           (c)   Nothing in this section prevents any health maintenance organization from  
31 excluding from coverage any physical illness or injury or mental illness or chemical  
32 dependency which has been diagnosed or treated previous to coverage of the individual  
33 by the health maintenance organization."

34           Sec. 3. Effective with respect to policies issued, renewed, or amended on or  
35 after January 1, 1990, Chapter 58 of the General Statutes is amended by adding a new  
36 section to read:

37 **"§ 58-251.9. No discrimination against the mentally ill and chemically dependent.**

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

- 39           (1)   'Mental illness' has the same meaning as defined in G.S. 122C-3(21);  
40                   and  
41           (2)   'Chemical dependency' has the same meaning as defined in G.S. 58-  
42                   251.8

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

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

7 (1) Refuse to issue or deliver to that individual any policy (regardless of  
8 whether any of such policies shall be defined as individual, family,  
9 group, blanket, franchise, industrial or otherwise) that affords benefits  
10 or coverages for any medical treatment or service for physical illness  
11 or injury;

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

14 (3) Reduce physical illness or injury coverages or benefits for that  
15 individual.

16 (c) Nothing in this section prevents any insurance company from excluding from  
17 coverage any physical illness or injury or mental illness or chemical dependency which  
18 has been diagnosed or treated previous to coverage of the individual by the insurance  
19 company."

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