

GENERAL ASSEMBLY OF NORTH CAROLINA
1989 SESSION

CHAPTER 369
HOUSE BILL 382

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) Refuse to issue or deliver to that individual any individual or group hospital, dental, medical or health service contract in this State that affords benefits or coverage for medical treatment or service for physical illness or injury;

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

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

(c) Nothing in this section prevents any hospital or medical plan from excluding from coverage any physical illness or injury or mental illness or chemical dependency which has existed previous to coverage of the individual by the hospital or medical plan or from refusing to issue or deliver to that individual any policy because of the

underwriting of any physical condition whether or not related to mental illness or chemical dependency."

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

"§ 57B-12.2. 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. 57B-12.1

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 health maintenance organization governed by this Chapter shall, solely because an individual has or had a mental illness or chemical dependency:

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

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

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

"§ 58-251.9. 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. 58-251.8

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 insurance company licensed in this State pursuant to the provisions of this Chapter shall, solely 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 policy (regardless of whether any of such policies shall be defined as individual, family, group, blanket, franchise, industrial or otherwise) that affords benefits or coverages for any medical treatment or service for physical illness or injury;
- (2) Have a higher premium rate or charge for physical illness or injury coverages or benefits for that individual; or
- (3) Reduce physical illness or injury coverages or benefits for that individual.

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

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

In the General Assembly read three times and ratified this the 20th day of June, 1989.