



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services

Insurance Division
350 Winter St. NE, Room 440
PO Box 14480
Salem, OR 97301-0405
(503) 947-7980
FAX (503) 378-4351
TTY (503) 947-7280
www.oregoninsurance.org

OREGON INSURANCE DIVISION BULLETIN 2003-3

DATE: July 14, 2003

TO: All Insurance Companies and Health Care Services Contractors Authorized to Transact Health Insurance in Oregon

RE: Benefits for Chemical Dependency and Mental and Nervous Conditions; among Providers; Cost Containment

Introduction

Oregon Insurance Bulletin 90-6, issued on May 15, 1990, is withdrawn. That bulletin explained certain statutory requirements governing benefits available under group health benefit policies for chemical dependency and mental and nervous conditions and addressed discrimination among classes of health care providers. This bulletin replaces Oregon Insurance Bulletin 90-6 and affirms our position that Oregon law governing benefits for chemical dependency and mental and nervous conditions controls with respect to federal regulations.

Please note: For purposes of this bulletin, the term "insurer" includes "health care service contractor."

Applicability of Federal Regulations

The Director believes that federal requirements for the provision of basic health services by federally qualified health maintenance organizations do not supersede Oregon's more stringent basic health service requirements established in ORS 743.556. Although federal regulations require health maintenance organizations to provide only brief, crisis outpatient therapy for mental illness, health maintenance organizations must provide the more liberal and generous coverage required by ORS 743.556.

Coverage of Diagnoses

The Director understands ORS 743.556 to require a broad range of coverage for diagnoses involving clinical syndromes of mental illness or chemical dependency. Diagnoses of physical disorders or conditions related to mental illness are covered according to a policy's general medical coverage provisions.

Cost Containment Generally

The Director strongly endorses cost containment measures but urges insurers to be sure their methods are consistent with applicable law. Insurers must apply policy provisions consistently when adjudicating claims and may not provide benefits that differ from those stated in the policy owing to the provider selected for care or owing to computer system limitations.

Effective Date

This bulletin shall take immediate effect.

(Signed)

Joel S. Ario, Insurance Administrator

July 15, 2003

Date