



NEW YORK STATE SENATOR

Catharine Young

Senate Passes "Timothy's Law" to Provide Mental Health Parity

CATHARINE YOUNG September 20, 2006

The New York State Senate has passed "Timothy's Law," to provide parity in insurance coverage for mental illnesses. The legislation would require insurance companies to cover most mental illnesses and would require coverage for a broad range of mental illnesses and conditions specifically related to children. The bill reflects an agreement with the State Assembly that was reached at the end of the regular legislative session.

The law comes in response to a 12-year-old boy Timothy took his own life in 2001 after repeated bouts of depression.

The legislation includes the following provisions:

COVERAGE FOR TREATMENT OF MENTAL ILLNESSES

The agreement would require insurance companies to cover 30 inpatient days of treatment and 20 outpatient days of treatment for all mental illnesses.

The agreement would also require insurance companies to fully cover biologically based mental illnesses, including the following: Schizophrenia/psychotic disorders, Major

Depression, Bipolar Disorder, Delusional Disorders, Panic Disorder, Obsessive Compulsive Disorder, Bulimia, Anorexia and Binge Eating.

COVERAGE FOR CHILDREN WITH MENTAL ILLNESS

In addition, the agreed upon bill would require insurance coverage for children under age 18 with attention deficit disorder, disruptive behavior disorders or pervasive development disorders where there are serious suicidal symptoms or other life-threatening self-destructive behavior; significant psychotic symptoms (hallucinations, delusion, bizarre behaviors); behavior caused by emotional disturbances that placed the child at risk of causing personal injury or significant property damage; or behavior caused by emotional disturbances that placed the child at substantial risk of removal from the household.

To address cost concerns raised by small businesses, the agreement directs the state Superintendent of Insurance to develop a methodology that would hold businesses with 50 or fewer employees harmless from any increase in insurance premiums that result from this measure.

The bill would also require the state Insurance Department and the Office of Mental Health to conduct a two year study to determine the effectiveness and impact of mental health parity legislation in New York and other states. When enacted, the bill would take effect January 1, 2007 and sunset on December 31, 2009, to provide for an opportunity to amend the law based on the findings and recommendations of the study