STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
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ELAINE A. McREYNOLDS
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B U L L E T I N

TO: All Health Insurers

FR: Elaine A. McReynolds, Commissioner EAM
Department of Commerce and Insurance

RE: Coverage of Mental Illness, Community Mental Health Centers, Clinical Staff, T.C.A. 56-7-1003

DA: September 1, 1988

A recent inquiry has lead the Department to believe that there may be some confusion as to the requirements for coverage of community mental health center treatment and coverage of clinical staff working at community mental health centers.

Subsection (a) of T.C.A. Section 56-7-1003 provides that policies issued in Tennessee must provide coverage of mental illness unless the policy specifically excludes or reduces such benefits. Subsection (e) provides that all policies which do provide benefits for mental illness shall reimburse for such benefits when such benefits are provided at a community mental health center, whether with respect to outpatient or inpatient benefits.

Subsection (b)(1)(2) provide that any policy must cover treatment at a community mental health center unless the policyholder specifically rejects in writing such coverage.

Subsection (b)(3) provides that when benefits are provided for treatment at a community mental health center, such benefits shall include coverage of "clinical staff" which is defined as an individual who holds at least a master's degree in either psychology, nursing, or social work and any required licensed.

In short, the policy may exclude or reduce benefits for coverage of mental health but must provide full coverage in the absence of an exclusion. Any policy providing coverage of mental illness must cover treatment at a community mental health center in the absence of a written rejection signed by the applicant. Any policy so covering treatment at a community mental health center must cover clinical staff at the community mental health center.