

STATE OF COLORADO

DEPARTMENT OF REGULATORY AGENCIES

DIVISION OF INSURANCE

1560 Broadway, Suite 850
Denver, Colorado 80202



Bulletin No. B-4.3

CONCERNING MENTAL HEALTH BENEFITS IN GROUP CONTRACTS

I. Background and Purpose

The purpose of this bulletin is to provide advise health carriers of the conditions under which inclusion of benefits for residential treatment of mental illness would be considered to be in compliance with Section 10-16-104(5)(a), C.R.S.

Bulletins are the Division's interpretations of existing insurance law or general statements of Division policy. Bulletins themselves establish neither binding norms nor finally determine issues or rights.

II. Applicability and Scope

This bulletin is intended for all carriers as defined in Section 10-16-102(8), C.R.S., issuing policies or contracts providing basic hospitalization benefits on a group basis.

III. Division Position

Existing law requires carriers to provide hospital benefits equal to at least 45 days for inpatient care or 90 days for partial hospitalization in any one twelve month benefit period. *See* Section 10-16-104(5)(a), C.R.S. Inclusion of a benefit for residential treatment services would be considered "at least equal to" the mandated mental health benefits provided that an offset, if any, against inpatient hospital days reflected relative benefit value. For example, if the cost for a day of residential treatment is 1/4 that of an inpatient hospital day, 4 residential treatment days would offset one inpatient hospital day.

IV. Additional Division Resources

For More Information

Colorado Division of Insurance
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1560 Broadway, Suite 850
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Internet: <http://www.dora.state.co.us/insurance>

V. History

- Originally issued as bulletin 3-96, May 10, 1996.
- Reissued May 8, 2007.