STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
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BULLETIN TO ALL HEALTH INSURERS DOING BUSINESS IN TENNESSEE

From: Elaine A. McReynolds EAM
Department of Commerce and Insurance

Re: Speech and Hearing Disorders - Chapter 970 Public Laws 1988

Date: March 8, 1989

The purpose of this Bulletin is to announce the Department's position regarding T.C.A. Section 56-7-1011.

This Act became effective on July 1, 1988 and applies to individual franchise, blanket or group policies which provide hospital expense and surgical or medical expense benefits issued or renewed in Tennessee after January 1, 1989. It does not apply to policies which only provide coverage for specified disease, hospital indemnity, medicare supplement or other limited benefit coverages.

Section 56-7-1011 requires that insurers offer to provide benefits for speech and hearing disorder in conjunction with such contracts. The coverage that is offered may be limited in accordance with the same exclusions, limitations, conditions, deductibles and coinsurance requirements as are provided for other illnesses or injuries covered by the contract, so long as the services provided by duly licensed audiologists or speech pathologists are covered on the same basis as services provided by other licensed physicians.

This statute is not a mandated benefits statute which would require that these particular additions be covered. This provision is a slight variation of a mandated benefits statute in that it only requires that the coverage be offered to the individual or employer purchasing the policy. It is the Department's position that this would permit an insurer to add this coverage through a rider to the health insurance policy in the event that the insured elects such coverage. It is the Department's position that the rider must offer to cover these services to the same extent as the rest of the policy would cover payment to a duly licensed medical doctor. In addition, any increase in premium required to cover this rider must be actuarially justified.