

Insurance and Real Estate Committee JOINT FAVORABLE REPORT

Bill No.: SB-414

Title: AN ACT CONCERNING MENTAL HEALTH PARITY.

Vote Date: 3/22/2022

Vote Action: Joint Favorable

PH Date: 3/17/2022

File No.: 319

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SPONSORS OF BILL:

Insurance and Real Estate Committee

REASONS FOR BILL:

This bill is meant to help enforce the Mental Health Parity and Addiction Equity Act (MHPAEA). Since this act's passage, insurance companies have used dense data to ensure that their plans cannot be evaluated. This bill will help to review the Connecticut Nonquantitative Treatment Limitation "NQTL" Report and analyze its data gathering and reporting techniques. With better health data that is easier to interpret, the state can help ensure that policy holders receive adequate mental health coverage.

RESPONSE FROM ADMINISTRATION/AGENCY:

Connecticut Insurance Department says the act requires the Department to submit a report regarding the effectiveness of various provisions of law with regards to mental health parity. This bill does not provide details on what should be included in the report. The Department's Market Conduct Division already submits a report to the legislature on NQTL compliance under 38a-477ee on an annual basis. It is unclear what additional information would be required of the Department. Without that information it is difficult for the Department to determine whether a consultant or additional staff would be necessary to complete this report. In a time when all agencies are doing more with less, the Department does not have bandwidth or funds to complete additional reports with current staffing levels, and as such, we must oppose this bill.

NATURE AND SOURCES OF SUPPORT:

Jordan Fairchild, Coordinator & Community Organizer, Keep The Promise Coalition supports SB 414, because significant gaps remain for people seeking quality, affordable

mental health coverage. And while the statute required health carriers to submit their first report concerning parity in April of last year, those reports have not been filed due to the extensive amount of data that the insurance companies submitted, which did not comply with the requested format. Advocates have described this play by the insurance companies as “death by data”. It’s time for the insurance companies to submit legible data reports, so the Insurance Commissioner can assess the state of mental health parity in Connecticut.

Kristen Diekmann,

Rachael Farina,

Julian Finnegan,

Briana Hansen,

Jaime Rodriguez, Advocacy Chair, CTAMFT &

Rebecca Ruitto, Chair, CTAMFT urges you to **support** SB 414, with a review of mental health and payment parity to better serve Connecticut residents in desperate need of mental health treatment. Many providers have brought concerns to the attention of the Commissioner of Insurance and have been dismissed as contractual disputes that are outside their purview to address. Creating clear guidelines for claim processing and requiring standardized and regulated claim auditing protocols in addition to mental health parity in regard to reimbursement rates would allow mental health providers to treat residents more effectively and efficiently, as well as encourage mental health providers to become or remain in network providers within our state.

Holly Hackett, Office Administrator, Keep the Promise Coalition **supports** the bill and refers you to the testimony of Jordan Fairchild. She notes her personal point of view is a little different because she feels that it is due to the fact that the insurance companies do not want the State to realize they are not following the parity guidelines in Public Act 19-159, An Act Concerning Mental Health and Substance Use Disorder Benefits. The industry does not care about people, only their profits and continue to prove this. There are also very few repercussions, if any, for the insurance industry going against our laws.

Howard Sovronsky, Chief Behavioral Health Officer, Connecticut Children's Medical Center, as a pediatric provider, recognizes that mental health care is part of a child’s overall health. The state must support more innovative policies that lead to a comprehensive and integrated behavioral health system because too often, insurance practices are a significant obstacle to truly integrating care for patient families. Lack of parity negatively impacts families’ ability to receive care and further exacerbates behavioral health workforce shortages. In addition to lack of payment parity, commercial payers can also institute certain administrative barriers—like prior authorization and required documentation—that interfere with the access and delivery of effective mental healthcare. We hope to see the state make significant progress on this issue.

Margaret Watt, Board Member, NAMI CT’s members ask you to hold insurers responsible for complying with both federal and state law. SB 414 requests a report by January 2023, but we respectfully draw your attention to the annual deadline of April 15th that already is in place in PA 19-159. The reporting process should not be delayed. The industry should be able to provide better reports this April than last April. If not, it will be critical to identify why not. Thank you for your work to ensure accountability.

Katherine G. Kennedy says that even though the Mental Health Parity and Addiction Equity Act (MHPAEA), which is the federal law intended to establish mental health parity, passed in 2008, the United States still has not implemented mental health parity in 2022. Why is this? The answer: MHPAEA has not been enforced, and so insurers have been able to hide behind nonsensical data dumps, while intoning that their health plans meet federal mental health parity standards. She hopes that, for the welfare, health and safety of all residents in Connecticut, you will help to enforce and implement the same laws that you pass and asks to use language in SB 414 that will require CT's Insurance Commissioner to collect meaningful and useful data, and then require the Commissioner to use that data to make a full and complete determination on whether the standard of mental health parity is being met.

Paul Desan **supports** the Insurance Commissioner's ability to study the effectiveness of mental health parity in CT but urges the committee to drill down and be more specific as to what criteria should be looked at.

NATURE AND SOURCES OF OPPOSITION:

Suzi Craig, Chief Strategy Officer, Mental Health Connecticut, although appreciating the intent of S.B. 414, is concerned with the overall necessity of the legislation at this time. In 2019, Connecticut made progress in addressing parity with the passing of Public Act 19-159, which outlined the steps needed to comply with the 2008 federal Mental Health Parity and Addiction Equity Act. They ask that the legislature ensure that SB 414 works in tandem with the current law without changing the annual deadlines currently set. Without parity compliance, Connecticut will be unable to improve our health care system and allow for true health equity. It is imperative that we work together to stay on track with the work we've done to date, so we can once again take the lead in parity.

Connecticut Association of Health Plans would like to flag SB 414 for future input from the health insurance industry. As currently drafted, the bill simply provides for a report from the Department to the Insurance Committee on the effectiveness of mental health parity insurance provisions. Given the propensity for reporting bills to be further amended with substantive language, particularly during a short session, CAHP would like to request for the record an opportunity for continued dialogue should such a situation arise.

Kathleen Flaherty, Executive Director, CT Legal Rights Project comments that despite the existence a state level mental health parity law, people who need mental health services still experience challenges in coverage. We should enforce our existing laws before requiring the Insurance Department to issue yet another report, as would be required by SB 414. This committee should conduct the annual public hearings required by the 2019 law. Although I recognize that the state of Connecticut can only regulate a portion of the insurance market, because it cannot regulate plans governed by ERISA, the promise of the existing mental health parity law appears to be another un-kept promise. We can, and must, do better.

David Godbout **opposes** the bill.

Reported by: Daniil Toropov

Date: 4/7/2022