



160 St. Ronan Street, New Haven, CT 06511-2390 (203) 865-0587 FAX (203) 865-4997

Connecticut State Medical Society Testimony in Support of
Senate Bill 877 An Act Concerning Mental Health Parity
Senate Bill 314 An Act Concerning Mental or Nervous Conditions Under the Unfair Insurance Practices
Act
Presented to the Insurance and Real Estate Committee
February 10, 2011

Senator Crisco, Representative Megna and members of the Insurance and Real Estate Committee, my name is Matthew Katz, Executive Vice President of the Connecticut State Medical Society (CSMS). On behalf of our more than 7,000 physician and physician in training members thank you for the opportunity to present this testimony to you today in support of Senate Bill 877 An Act Concerning Mental Health Parity and Senate Bill 314 An Act Concerning Mental and Nervous Conditions Under the Unfair Insurance Practices Act. To the extent that these bills provide protections for mental health conditions consistent with Federal Law we support the language. Federal language should be codified on the state level to ensure consistency in medical care regardless of covering entity. In addition, we welcome the opportunity to work with the committee to appropriately define "nervous condition" so that similar protections can be afforded individuals with these conditions.

In 1996, the Mental Health Parity Act (MHPA) was enacted and required parity in aggregate lifetime and annual dollar limits for mental health benefits and medical/surgical benefits. The MHPA, however, did not apply to substance use disorder and did not bar some other types of limitations on mental health benefits. In 2008, the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) was signed into law. The MHPAEA expanded on the MHPA by broadening the parity rules as they apply to mental health benefits as well as extending these rules to substance use disorder benefits.

Under the MHPAEA, any group health plan that includes mental health and substance abuse disorder benefits along with standard medical and surgical coverage must treat them equally in terms of out-of-pocket costs, benefit limits and practices such as prior authorization and utilization review. For example, a plan may not apply separate deductibles for treatment related to mental health or substance use disorders and medical or surgical benefits – they must be calculated as one limit. MHPAEA applies to employers with 50 or more workers whose group health plan chooses to offer mental health or substance use disorder benefits. MHPAEA was effective for plan years beginning on or after July 1, 2010.

In February of 2010, the Obama Administration issued regulations implementing the MHPAEA providing greater clarity on how MHPAEA should be applied. For the first time, these rules help assure that those diagnosed with debilitating and some-times life threatening disorders will not suffer needless or arbitrary limits on medical care. The rules bring needed relief to families faced with meeting the cost of obtaining mental health and substance abuse services.

Unfortunately, in Connecticut, MHPAEA law and regulations do not apply to everyone – especially those receiving insurance through small employer groups and in the individual market. CSMS is asking today,

through our support of this bill, that the same federal safeguards outlined above be applied to anyone who receives health insurance coverage in Connecticut, regardless of the size of the group or whether insurance is obtained in the individual market. CSMS urges the adoption of parity in health insurance and access to health care services in Connecticut, regardless of whether or not individuals are seeking health insurance or medical care for mental or behavioral health matters, substance use disorders or any other medical condition.

We urge your support for these bills and offer our assistance to make sure that the language is consistent with medical practice.