

Testimony of the National Alliance on Mental Illness (NAMI) of Connecticut Before the Program Investigations and Review Committee

March 7, 2013

In Support of

Raised H.B. 6517 AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING THE INSURANCE DEPARTMENT'S DUTIES, MENTAL HEALTH PARITY COMPLIANCE CHECKS AND THE EXTERNAL REVIEW APPLICATION PROCESS.

Senator Kissel, Representative Mushinsky and distinguished members of the Program Review and Investigations Committee, my name is Daniela Giordano and I am the Public Policy Director for Adults, State and National matters with the National Alliance on Mental Illness (NAMI) of Connecticut. NAMI Connecticut is the state affiliate of NAMI, the nation's largest grassroots mental health organization dedicated to building better lives for all those affected by mental illness. NAMI Connecticut offers support groups, educational programs, and advocacy for improved services, more humane treatment and an end to stigma and economic and social discrimination. We represent individuals who actually live with mental illness and parents and family members of individuals living with mental illness. I am here today on behalf of NAMI Connecticut to support H.B 6517 An Act Implementing the Recommendations of the Legislative Program Review and Investigations Committee Concerning the Insurance Department's Duties, Mental Health Parity Compliance Checks and the External Review Application Process.

HB 6517 would support and enhance the implementation of Mental Health Parity laws by requiring the Connecticut Insurance Department to review health insurance plans in regards to their compliance with qualitative parity for behavioral health services and treatments.

This committee's staff completed the report "Access to Substance Use Treatment for Privately and Publicly Insured Youth" in December 2012. Recommendations of HB 6517 are based on findings of this report. The Connecticut Insurance Department's (CID) Life and Health Division is charged with reviewing health policies' compliance with all applicable state and federal laws, including mental health parity¹. The CID is responsible for reviewing fully-insured plans' policies only. CID has been checking that health policies comply with quantitative parity, i.e., annual or lifetime amounts, ensuring that financial coverage limitations for behavioral health services is no greater than those for medical care.

The PRI report found that the CID **does not check for qualitative treatment compliance**, i.e., checking to make sure that the timing for utilization reviews for levels of care is the same for behavioral health care as it is for medical care or whether step-care or fail-first requirements are

included in policies and if they are, whether these restrictions are clinically appropriate or based on reasonable and allowed processes.

In order to rectify this lack of qualitative compliance checks for health policies, the PRI report makes recommendations, including recommendation #3 regarding mental health compliance checks.

HB 6517 would require the insurance department to **select a method for compliance checks regarding state and federal mental health parity laws** and start using it.

Part of the process of selecting a method would include examining and assessing methods set forth by the U.S. Department of Labor and URAC, as well as other methods discovered by the department or brought to its attention.

When selecting a method to check for compliance of parity, access to adequate care must be ensured. This would require assessors to have knowledge about behavioral health and behavioral health care to be able to review for quality of care as well as financial considerations. Part of this methods evaluation would include a public meeting to which stakeholders are invited to share their input and propose other compliance methods. Stakeholders would need to include relevant state agency personnel, health insurance companies and the **general public**.

Furthermore, the method selected and the results of its implementation would be required to be included into a report, annually submitted to the Governor and relevant legislative committees, the Insurance and Real Estate and the Public Health Committee.

Implementation of the recommendations of the PRI report via raised HB 6517 would bring great value to the residents of Connecticut who rely on the fully-insured plans they purchase to provide behavioral health services in parity with medical care, as is required by state and federal law. By holding the Connecticut Insurance Department accountable to their charge to check for compliance, we will get a better picture of the implementation of mental health parity and can support further measures to ensure that our residents receive the care they deserve, need, and pay for as this is not the case now.

We also support the report's recommendation #14, to require the Insurance Department to display a link on its website to the Office of Healthcare Advocate's website along with a statement that the office can provide health care consumers or authorized representatives with free assistance throughout the coverage decision process, including utilization reviews.

Thank you for your time. I am happy to answer any questions you may have.
Daniela Giordano

¹ Legislative Program Review and Investigations Committee, Committee Report: Access to Substance Use Treatment for Insured Youth: Phase I. Approved: December 18, 20112.