

Insurance and Real Estate Committee JOINT FAVORABLE REPORT

Bill No.: SB-384

AN ACT CONCERNING MENTAL HEALTH PARITY, DATA REPORTED BY
MANAGED CARE ORGANIZATIONS AND THE ALL-PAYER CLAIMS

Title: DATABASE.

Vote Date: 3/20/2018

Vote Action: Joint Favorable Substitute

PH Date: 3/6/2018

File No.:

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SPONSORS OF BILL:

Rep. Brenda L. Kupchick, 132nd Dist.
Rep. Cristin McCarthy-Vahey, 133rd Dist.
Rep. Noreen S. Kokoruda, 101st Dist.
Rep. Susan M. Johnson, 49th Dist.
Rep. Matthew Lesser, 100th Dist.
Rep. Livvy R. Floren, 149th Dist.
Sen. Martin M. Looney, 11th Dist.
Rep. Jonathon Steinberg, 136th Dist.
Sen. Ted Kennedy, 12th Dist.

REASONS FOR BILL:

This bill requires health insurance policies to cover, at an annual physical, screenings for mental or nervous conditions. It expands reporting requirements for the insurance commissioner, managed care organizations, health carriers, health insurers, and the all-payer claims database. It changes the content of the Consumer Report card on Health Insurance Carriers in Connecticut. It requires health carriers to comply with the federal Mental Health Parity and Addiction Equity Act.

SUBSTITUTE LANGUAGE:

The substitute language replaces section 10, which required Access Health CT to report certain information, with a requirement that the Office of Health Strategy report to the Insurance and Real Estate and Public Health committees on the office's activities and progress related to requiring the all-payer claims database to provide certain managed care organization data. The substitute language also makes minor and technical changes.

RESPONSE FROM ADMINISTRATION/AGENCY:

State of Connecticut Insurance Department stated the recent legislation and department implementation in parity laws. They discussed the 2015 and 2016 Behavioral Health Working Group that submitted reports to the General Assembly and heled with the passage of P.A. 16-175. They discussed the Departments regulatory review, enforcement, and reporting of all the policies sold in Connecticut. They listed the current data collected and published in their annual report card.

Sen. Ted Kennedy, 12th District supports the bill because it addresses the discrepancies between health provider networks for medical/surgical patients and those with mental illness and addiction. He states “health plans have not contracted with enough mental health providers to meet the need of their policyholders”. A report by Milliman reported that 34% of mental health office visits were out-of-network, while only 3% were for medical/surgical utilization. More mental health and addiction service patients are more likely to face higher costs because they must go to out-of-network providers.

Rep. Brenda Kupchick, 132nd District supports the bill because she is concerned about the parity between patients with mental illness and physical illness. She lists 11 questions that “reflect the challenges patients are experiencing access services, and providers, given the challenges many providers have getting onto carrier networks”.

Sen. Martin M. Looney, 11th District supports the bill because it “addresses mental health parity which is clearly a crucial need for our state and nation”.

Ted Doolittle, Healthcare Advocate The Office of the Healthcare Advocate states that this is an important bill because it gives the “ability to proactively identify and address inequities in the delivery of mental health services compared to medical services”. He states expanding the data will give the state a better way to identify trends of non-compliance with mental health parity. After all the work that has been done already it is still difficult to get timely and affordable care. The only parity oversight in the state now is the CID’s Mental Health Parity Compliance Survey which gives little data about mental health parity. arity which is clearly a crucial need for our state and nation”.

NATURE AND SOURCES OF SUPPORT:

Kathleen Flaherty, Executive Director, CT Legal Rights Project Inc. supports this bill because insurance should cover treatment for mental health the same is does for physical health. “When people have to go out-of-network to access care, they may not have the resources available to pay for the treatment, and therefore may not seek treatment at all”.

Thomas Burr supports the bill because he has a son who struggled to be approved for an in-patient hospital or find a good, in-network psychiatrist in an adequate amount of time on his previous employers’ insurance program. A NAMI study has “found that 1 out of 3 (34%) respondents private insurance have difficulty finding a mental health therapist compared to only 13% reporting difficulty finding a medical specialist.” Many patients who found a mental health provider had to go out-of-network and paid high out-of-pocket expenses.

Susan C. Champion, President, Connecticut Association of Addiction Professionals

states that the bill “will advance a new and necessary era in critical data collection on current insurance practices that will promote consumer awareness, behavioral health providers, and key public policy influencers.” There are many practices of insurance carriers that create barriers for those wanting to receive treatment of substance and addiction. Patients with addiction should “adhere to the same standards of Parity with insurance coverage that promotes access to evidence-based level of care, qualified specialists, and fiscal coverage”.

Jackie Coleman, Executive Director, CT Psychiatric Society states people suffering from mental illness and substance abuse are not getting the coverage they are paying for. “In Connecticut, the proportion of inpatient facility services for mental health and substance disorder care that were provided out of network was 2.45 to 16.60 higher than physical illness, ...office visits that were provided out of network were 5.8 to 10.98 higher than physical illness and 8 to 8.83 times higher than for physical illness specialist office visits”. CT also has a 550% to 1050% higher behavioral out of patient network than any other state, making it difficult for patients to gain access to in-network care.

Connecticut State Medical Society generally supports the bill but has concerns about the legislations regarding providing information to the Connecticut Insurance Department “between health insurers and contracted providers specific to their negotiated fee information”. Some information should not be made publicly available for fear that health care carriers could use it in negotiations.

Suzi Craig, Mental Health Connecticut states Connecticut law offers general guidelines on compliance but is not specific enough. To expand the parity requirements more information must be given to the Insurance Department. The Connecticut Health Insurance Exchange must submit a report to the General Assembly regarding the All Payer Claims Database. Many people in the state have difficulty accessing mental health care and have to pay higher out of pocket expenses. Many of these expenses are because they cannot find an in-network psychiatrists and therapists.

Marcia Dufore, Executive Director, North Central Regional Mental Health Board states that insurance does not cover mental health conditions in a “manner equal to physical health conditions”. Many people who “complete the detoxification program find themselves without access to rehabilitative services to sustain their recover.” There needs to be more data that will keep insurance companies upholding mental health parity.

James Fazio states that he it wasn't until he was eligible for Social Security and Medicaid that he was able to afford services for his mental illness. He supports legislation that will all parity for mental health conditions so people like him do not have to live in poverty.

Falisha Gilman, MD, Yale School of Medicine states that many patients cannot find in-network care that accepts their insurance and are forced to pay out-of-network costs or not seek treatment. The reason for this is because of mental health parity. Ten years ago Congress passed with Mental Health Parity and Addiction Equity Act which reduced some of the disparities but there is still work to do. “Insurers continue to utilize non-quantitative treatment limitations (NQTLs) to disproportionately limit psychiatric care compared to medical and surgical care”. They support the bill because it limits some NQTLs and holds the insurance carriers accountable.

Jon Gordon states that his family had to go to an out-of-network center to give his son the care he needs and gave his experience he had trying to find care.

Chuck Ingoglia, Senior Vice President, National Council of Behavioral Health states that there is a need for “stringent enforcement, reporting, and data collection” that this bill would help with. Many individuals and their employers pay for mental health coverage that is more restrictive than insurance coverage for other medical care.

Loretta Jay, co-President of the National Alliance on Mental Illness support this bill because many people who suffer from mental illness have fewer in-network providers that accept insurance and are forced to go to out-of-network providers. They are pleased to see screening for mental or nervous conditions at annual exams as a required coverage included in the bill.

Susan Kelley, Director, Alliance for Children’s Mental Health states that 125,000 children in Connecticut have unmet behavioral health needs. The need for families to go out-of-network for providers is a “significant barrier to access the needed mental health care”. Because of low reimbursement rates many providers aren’t willing to contract with insurers.

Patrick Kennedy, Congressman stated that the Milliman report found that Connecticut were “abysmal and worse than most other states” when it comes to disparities between addiction and mental health vs physical health in-network use and provider reimbursement rates. He states that even though the General Assembly has passed at least one bill since 2013 related to insurance coverage for mental health and addiction, insurance companies are still finding ways around the law.

Danielle Morgan, MSN, CNS, Family PMHNP, Connecticut Advanced Practice Registered Nurses Society supports the bill because there is a shortage of mental health providers and the data collected with help with giving these services. “The APRN Society seeks to add ‘any licensed APRN’ to (21) as our APRN providers also provide this screening during our annual physical examinations.

Debbie F. Plotnick, Vice President, Mental Health and Systems Advocacy states that a Milliman Report indicated that Connecticut might be exhibiting parity violations. The report stated that patients in Connecticut have a 10.5 times higher rate of seeking out of network care, the highest in the nation. The more data collected will give a better understanding of the parity between mental health and physical health.

Ben Shaiken, The Alliance supports the bill because it strengthens mental health parity in Connecticut. He states that the parity law is a way to ensure that health plans help address the current opioid crisis. There are many barriers that “result in care delays, denials for services, and often create a crisis situation for individuals and their families”. “Improved enforcement of the parity law will ensure that people are able to access the benefits that they and their employers are paying for”.

Gail von Dwingelo shared the story of her son and his mental health and addiction and the difficulty they had finding care in-network. She states her family’s difficulty in finding and

paying for care for their son. “The stigma and lack of treatment options for mental health care vs medical care is disheartening.

Margaret Watt, Executive Director, Southwest Regional Mental Health Board states the many difficulties that people with mental health and addiction go through trying to find care. She also states the statistics in the Milliman Report. Also she, “strongly urges that mental health screenings during annual physicals be covered when conducted by any healthcare professional”.

NATURE AND SOURCES OF OPPOSITION:

Connecticut Association of Health Plans opposes this bill it “represents a substantial change to the underlying statute”. The Association supported development of the All Payer Claims Database (APCD). The APCD is now up and running to collect real-time submissions for health plans, which will help give policy makers a complete data repository. The APCD” has an oversight advisory body as well as a number of subcommittee groups that are made up of stakeholders.” Rushing to collect data will only give both sides frustration.

Reported by: Greg Castelli

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