

Legislative Program Review and Investigation Committee

Connecticut General Assembly

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SCOPE OF STUDY

Access to Substance Use Treatment for Privately Insured Youth

FOCUS

The study will analyze the accessibility of requested substance use disorder treatment for youth who have private health insurance. Accessibility will be examined in terms of both policy coverage and service availability.

BACKGROUND

In Connecticut, about eight percent of youth aged 12 to 17 and 24 percent of those aged 18 to 25 have abused or become dependent on alcohol or an illicit drug, within the past year, according to the most recent available data. Research shows a substantial portion of these adolescents and young adults with substance use disorders do not receive needed treatment.¹ Unmet treatment need appears related to insurance coverage and capacity issues.

Recent press coverage indicates that, in some circumstances, health care insurers – which cover the approximately 55 percent of Connecticut’s children who are privately insured² – have been denying youth certain behavioral health care interventions.³ Among youth advocates and policymakers, there is some confusion about the rationale behind those decisions, particularly with respect to substance use disorder treatment. The decisions might lead to increased state expenditures, as well. A portion of youth whose private insurers denied care subsequently has received voluntary behavioral health services from the Department of Children and Families.

Since 2000, Connecticut has had a comprehensive mental health parity law. Public Act 99-284 mandated health care plans cover a broad range of behavioral health disorders, and attempted to place that coverage on equal footing with that of physical health care. In addition, strong parity protections for people whose group plans offer behavioral health care coverage recently were put in place under federal law.⁴ Substance use treatment is explicitly included under both laws.

¹ NSDUH State Estimates, 2008-09

² Extrapolated from data on “KIDS COUNT Data Center: Connecticut,” Annie E. Casey Foundation. Accessed May 14, 2012 at: <http://datacenter.kidscount.org/data/bystate/StateLanding.aspx?state=CT>

³ “Behavioral health care” includes care for both mental health and substance use.

⁴ Mental Health Parity and Addiction Equity Act of 2008. Interim final rules became enforceable for plan years beginning July 1, 2010 (January 1, 2011 for calendar-year plans).

If a health care insurer denies a request for coverage of physical or behavioral care, the enrollee may appeal the decision to the company itself. A continued denial may be appealed by an enrollee to the Connecticut Insurance Department. The Office of the Healthcare Advocate is available to assist consumers at any point.

Even if the insurer agrees to cover requested substance use disorder care, providers must be available in order for treatment to be delivered. Some youth advocates question whether Connecticut has adequate provider capacity.

AREAS OF ANALYSIS

1. Explain the Connecticut and federal mental health parity laws, as they relate to substance use treatment.
2. Identify the terms of substance use coverage available to privately and publicly insured youth in Connecticut, and utilization of coverage.
3. Assess to what extent and, if possible, for what reasons, requests for youth substance use treatment are denied, for those covered by private insurance, and the results of the various complaint processes that may be used.
4. Analyze the demand for and supply of treatment services for privately insured youth.

LIMITATIONS

This study will not examine substance use treatment for clients served by state agencies, except as described above and for the Department of Children and Families' Voluntary Services program. Neither will it examine substance use prevention efforts.

The study will attempt to gather information for all private health insurance plans, recognizing that it might be possible to collect it only for fully insured plans, which are regulated by the Insurance Department (while self-insured plans, which are covered by federal but not state parity laws, are not). Analysis might be constrained in other ways by state agency data availability and limitations. The study will focus on adolescents under 18 years old, but where possible information for young adults through age 25 will be incorporated.

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