

# SB 860: THE PATH TO TRUE MENTAL HEALTH PARITY



# Mental Health And Medical Benefit Packages Should Be Equivalent

## Provider Panels



Mental Health

Medical/Surgical

- Breadth (Adequate Number of Providers)
- Depth (Adequate Number of Specialists)
- Quality (Similar Range of Education/Experience)

# SB 860 Directs DCBS To Examine Outpatient In-Network Benefit Packages

The federal Mental Health Parity law divides insurance benefit packages into **six classifications**

1. Inpatient in-network
  2. inpatient out-of-network
  3. **outpatient in-network \***
  4. outpatient out-of-network
  5. emergency
  6. prescription drugs
- Federal parity law allows **OFFICE VISITS** as a sub-classification under outpatient services.

# What Is Working In Mental Health Parity?

## Enforcement of “Quantitative Treatment Limitations”

- ◉ Deductibles
- ◉ Co-Pays
- ◉ Co-Insurance (% Paid)
- ◉ Lifetime benefits

# What Is Not Working In Mental Health Parity?

## Enforcement of “Non-Quantitative Treatment Limitations” (NQTL)

- Establishment of Reimbursement Rates
- Insurance Management Practices  
(e.g., utilization review rules, pre-authorization)

Outpatient Mental Health office visits are  
**underpaid and over-managed.**

## Why Is The Enforcement Of Non-Quantitative Treatment Limitations So Weak?

- ◉ NQTL are less easily measured.
- ◉ There are about 8,000 CPT codes, but 10-15 commonly reimbursed MH codes.
- ◉ It's difficult to identify equivalent management practices—e.g., determining medical necessity.
- ◉ Managed care companies often define insurance plans' regulations and reimbursement rates (It's like sending MH benefits "off-shore").

# What Is The Cost Of Weak Regulation Of NQTL?

Licensed MH professionals leave the poorly paid in-network provider panels.

**OIMHP 2017 Survey of 660 outpatient therapists:**

- 46% left an in-network panel over the last 10 years
- 49% considering leaving an in-network panel in the future.
- 95% cite low reimbursement as reason to leave.

# What Is The Cost Of Weak Regulation Of NQTL?

- ◉ “Ghost panels”
- ◉ Oregon consumers, unable to find a therapist in-network, pay for services out-of-pocket, out-of-network, or give up.
- ◉ Subtle form of mental health discrimination—very difficult for someone in a mental health crisis to understand and fight NQTL inequity.
- ◉ *When the mind is not treated, the body suffers—Health care costs go up.*



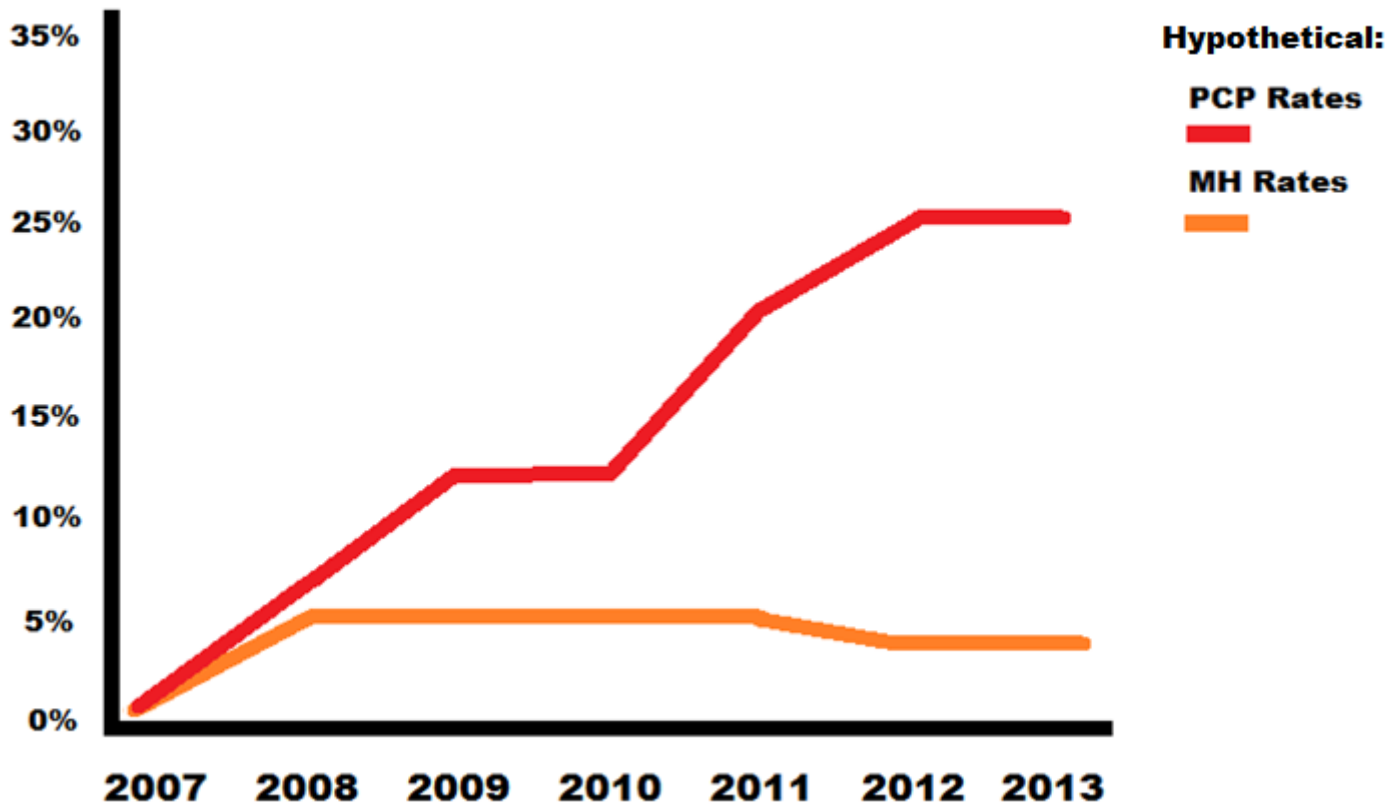
# First Step To True MH Parity: Identify A Medical Service Parallel To Psychotherapy

A typical PCP office visit requires the physician to document 3 elements in the medical record:

- HISTORY
- PHYSICAL EXAM
- MEDICAL DECISION MAKING

If over 50% of the PCP's time is spent counseling a patient, a physician needs to document only counseling time without all 3 elements.

# 1) SB 860: Investigate and Remedy Historical Trends: Office Visit Reimbursement



## 2) SB 860: Investigate and Remedy Office Visit Rates

Medicare's Relative Value Unit System (RVU):

- Pays 60' session 33% more in reimbursement value than a 45' session.

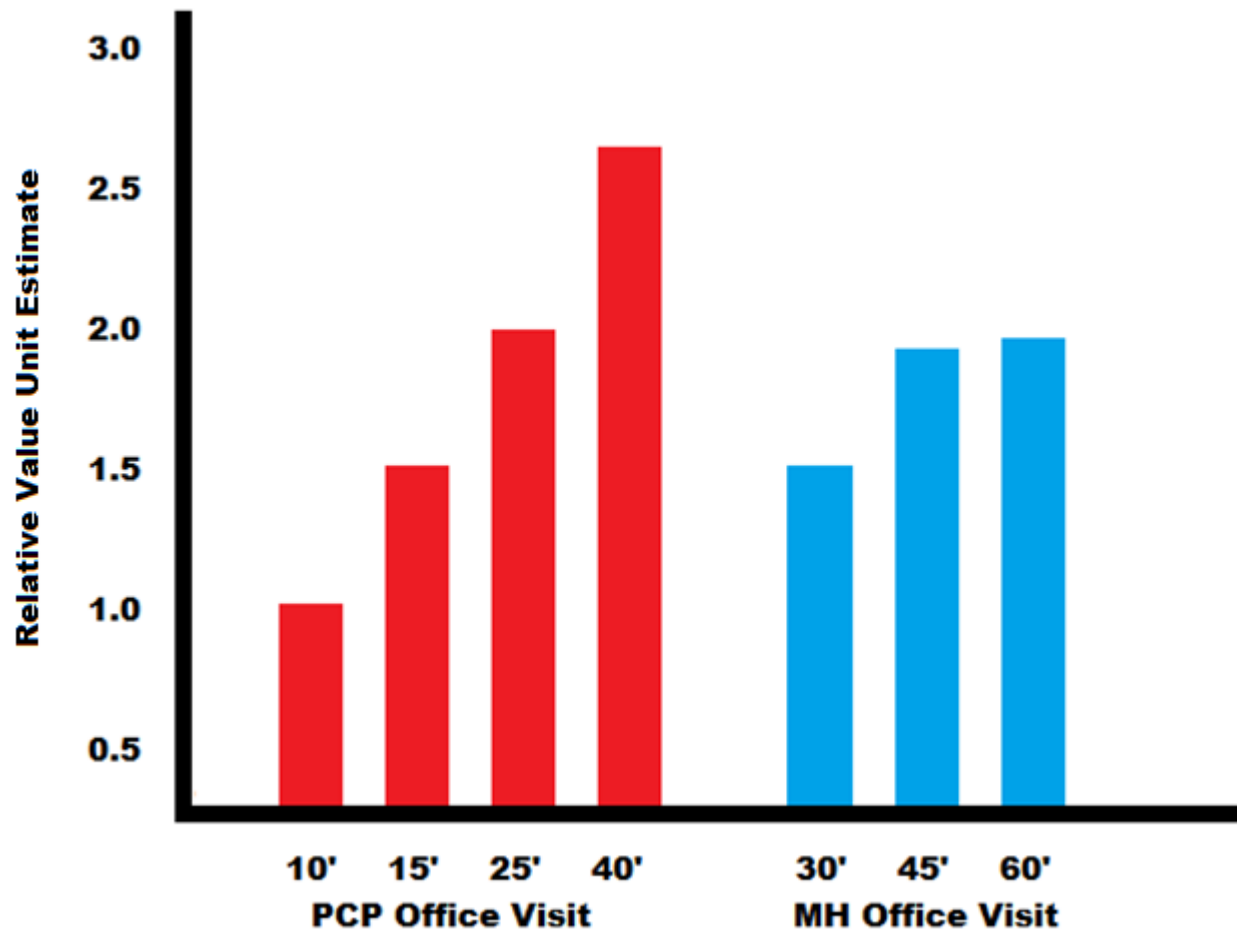
MODA pays 60' and 45' MH codes the same rate.

- Does MODA also pay longer physician office visits the same rate?

Regence pays 60' session 7% more than 45' session.

- Does Regence also restrict the incremental increase for physician office visits?

# SB 860: Do Insurance Plans Pay Office Visits In An Equivalent Manner?



### 3) SB 860: Investigate and Remedy Policies and Procedures Governing Office Visits

Do insurance plans impose **policy** restrictions or **actively manage** longer physician office visits?

- Through its Optum subcontractor, **Providence** restricts 60' session to specific therapies (e.g., Exposure Therapy for PTSD, OCD, Panic Disorder)
- Is there a **parallel Providence policy** restricting longer physician office visits to the specific treatment of specific diagnoses?

## 4) SB 860: Investigate and Remedy In-Network Provider Rate Schedules

Are office visit rate schedules determined in an equivalent manner?

- Physician Rates = standardized Medicare RVU?
- MH Professionals' Rates= managed care rate?

Does this result in provider panels that are not equivalent in: breadth, depth, and quality?

## Weak Parity Enforcement--

It's like permitting a contractor to build a house with high paid carpenters and low paid electricians.



**It's not healthy.**

**Build a strong house.  
Support SB860!**