

# Perspectives on Insurance Parity

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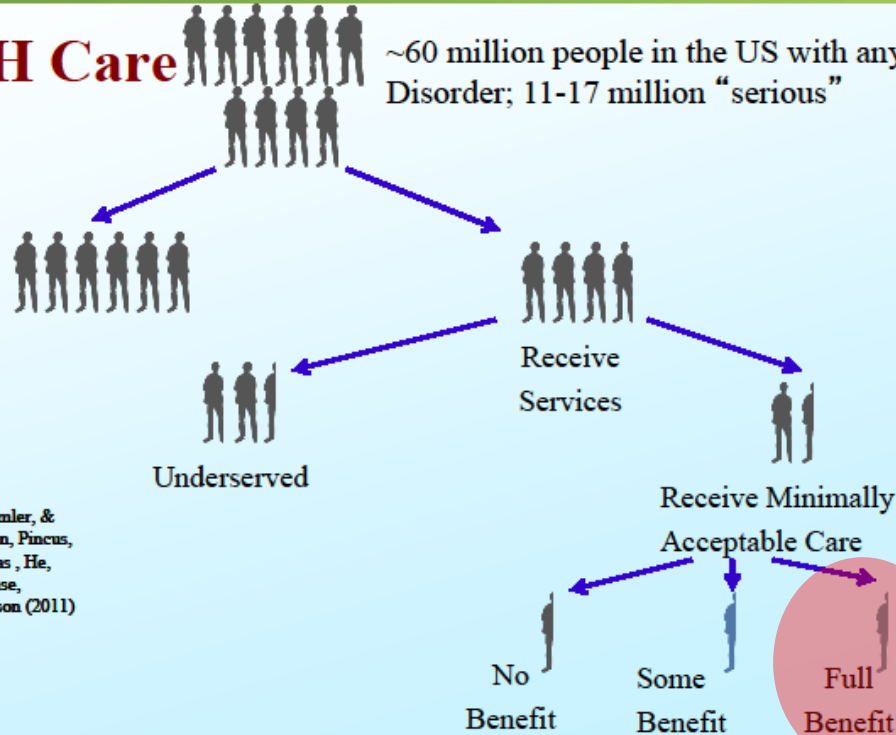
# The Problem We're Trying to Solve

## Why have we failed to bend the curve?



### Lack of MH Care

~60 million people in the US with any Disorder; 11-17 million "serious"



#### Sources:

NSDUH (2009); Kessler, Chiu, Demler, & Walters (2005); Wang, Lane, Olfson, Pincus, Wells & Kessler (2005); Merikangas, He, Burstein, Swendsen, Avenevoli, Case, Georgiades, Heaton, Swanson, Olfson (2011)

# Mental Health Enters the Modern Age

*Continued Vigilance Is Needed Because We're New at This*

- 2005 – Insurance parity legislation in Oregon
  - ✓ *Rules in 2006. Rolls out 2007-08.*
  - ✓ *Applies to employer group plans only.*
- 2008 – Federal parity legislation approved
  - ✓ *Rules not finalized until 2013.*
  - ✓ *No enforcement outside of aggressive states taking action.*
- 2010 – Affordable Care Act
  - ✓ *Insurance exchange and Medicaid expansion in 2014.*
  - ✓ *Behavioral health an essential benefit on exchange.*
- 2016 – CMS issues final Medicaid parity rule

# Disparities Extend Beyond Reimbursements

## *% Out-of-Network Utilization in Oregon*

Inpatient Facility	2017
Behavioral Health	19.3 %
Medical/Surgical	1.2 %

Outpatient Facility	2017
Behavioral Health	32.9 %
Medical/Surgical	4.1 %

Office Visits	2017
Behavioral Health	11.8 %
Primary Care	2.8 %
Med/Surg Specialists	4.5 %

“Addiction and mental health vs. physical health: Widening disparities in network use and provider reimbursement,” Milliman Research Report, by Stoddard Davenport, Travis J. (T.J.) Gray, and Stephen P. Melek, November 2019. See: <https://www.milliman.com/en/insight/addiction-and-mental-health-vs-physical-health-widening-disparities-in-network-use-and-p>

## Parity in Oregon Medicaid

- Long waits for access to services.
- Lack access to critical levels of service.
- Variation by region in terms of utilization management.
- Inadequate provider panels.
- Unstable workforce, due in large part to low reimbursements.

## Continued Vigilance: States Requiring Parity Reporting

- Colorado, Connecticut, Delaware, Illinois, New Jersey, Tennessee, and Washington DC adopted reporting prior to 2020.
- Arizona, Indiana, Maryland, Oklahoma, and West Virginia adopted in 2020.
- New York: Passed reporting requirements. Issued draft rule requiring parity compliance programs for carriers.
- Texas: Draft rule requiring parity compliance programs for carriers.
- California: Legislature adopts evolved definition of parity. (SB 855)

## *Wit v. United Behavioral Health:* What Does Parity Mean?

- Treat the underlying condition, not only current symptoms of crisis.
- Treat co-occurring conditions in coordinated manner.
- Treat at the least intensive level of care that is safe and effective.
- Err on the side of caution.
- Effective treatment includes services to maintain function.
- Determine duration based on individual needs.
- Take unique needs of children & adolescents into account.
- Make level of care decisions based on a multidimensional assessment.

## Legislative Solutions

- Direct DCBS to require annual comparative data reporting.
  - ✓ *Specify critical data points (reimbursements, networks).*
- Enact spirit of Wit decision.
  - ✓ *Treat the underlying condition for the duration necessary using generally accepted standards of care.*
  - ✓ *Require OHP to aggressively monitor and enforce uniform network adequacy and utilization management requirements.*
- Examine how state can interact with self-funded plans.