Behavioral Health Parity and SB 860 (2017)

DCBS | Consumer and Business Services

Division of Financial Regulation

Senate Bill 860 (2017)

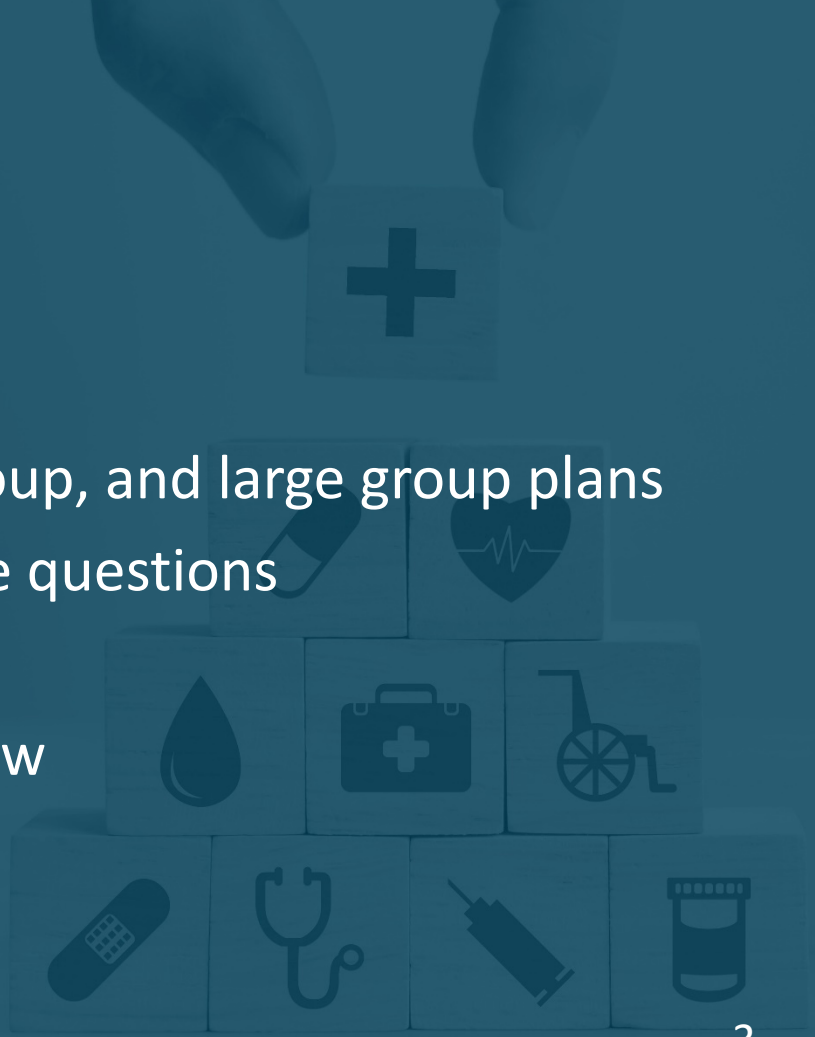
Directed DCBS to examine differences between physical and behavioral health coverage under commercial health insurance in Oregon:

- Reimbursement
- Utilization management
- Change in reimbursement over time
- Reimbursement methodologies

SB 860 Examination

Scope:

- Fully-insured individual, small group, and large group plans
- 24 qualitative and 15 quantitative questions
- 35 CPT codes
- 190,000 total data points to review



Examination findings (1/3)

- Evidence of non-compliance with state and federal parity requirements on the part of some insurers

- Many compliance problems relate to non-quantitative treatment limits (e.g., prior authorization)

Examination findings (2/3)

- Reimbursement methodologies not always equivalent
- Factors considered when developing behavioral health medical management policies may be applied more restrictively
- Utilization review requirements may differ between medical/surgical and behavioral health services
- Use of algorithms to trigger more frequent utilization review

Examination findings (3/3)

- Insurers rely heavily on third party organizations to provide credentialing services, medical management protocols, benefit development, care guidelines
- More opportunities for contract renegotiation for medical providers than for mental health providers
- Restrictive coding guidelines may limit access to care
- Different outreach methods with providers to answer questions about claims or authorization requests

Next steps

- Working with individual insurers on company-specific compliance issues
- Regulatory action: Bulletins and administrative rules
- 2021 legislation and stakeholder work

Questions?