

SB 254  
Proponent Testimony  
Senate Insurance and Financial Institutions Committee  
2/12/2020

Chair Hackett, Vice Chair Hottinger, Ranking Member Craig, and members of the Senate Insurance and Financial Institutions Committee. Thank you for the opportunity to provide written testimony on SB 254. The Mental Health and Addiction Advocacy Coalition (MHAC) is a statewide member organization actively advocating to increase awareness and advance policies to improve the lives of those impacted by mental illnesses and addiction disorders. The MHAC's membership has grown to approximately 120 organizations whose members exemplify the diversity of community organizations that have a common interest in behavioral health, including health and human service organizations; the faith-based community; government entities; advocacy organizations; courts; major medical institutions; the corporate arena; and behavioral health agencies serving adults and children.

The MHAC's advocacy efforts include ensuring there is a full continuum of care for people with mental health and substance use disorders, which means access to prevention, treatment, and recovery supports in the community. Many challenges exist to achieving this goal, including equal coverage for behavioral health services as with physical health services. Despite increases in suicide deaths and overdoses from substance use disorders, barriers continue to impede service delivery and access to care.

SB 254 prohibits insurers, both private and public, from covering illnesses of the brain more restrictively than illnesses of the body. In 2006, Ohio passed a parity bill that only covers major mental illnesses and limited alcohol treatment services. In 2008, the federal government passed the Mental Health Parity and Addiction Equity Act (MHPAEA) to ensure access to behavioral health treatment is the same as physical health care treatment. Since then, Ohio received an F-rating from the Kennedy-Satcher Center for Mental Health Equity, and a new Milliman report shows people are using more out-of-network care to access services, and providers are reimbursed less for behavioral health services.

The Milliman report found that disparities continue to widen between coverage for behavioral health services and medical/surgical services. The study examined commercial Preferred Provider Organizations' (PPOs) medical claims records from major insurers during 2013 - 2017. The report analyzed: (1) out-of-network utilization rates for inpatient and outpatient facility services and professional office visits; and (2) reimbursement rates for office visits for in-network healthcare providers.

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The report found that:

- Consumers used out-of-network behavioral health providers more often than for medical/surgical providers in all five years.
- In Ohio, consumers used out-of-network behavioral health providers at a rate of 13.6 percent compared to 3.8 percent for out-of-network medical/surgical care.
- Reimbursement rates for in-network behavioral health office visits are lower than for medical/surgical office visits.
- In Ohio, reimbursement rates for in-network behavioral health office visits were 87 percent compared to 108 percent for in-network medical/surgical office visits using Medicare-allowed rates as a baseline.

Under the proposed bill, three key components will improve access to behavioral health care including:

- Comprehensive coverage of mental health and addiction disorders
- Reporting on compliance
- Coverage for prescriptions for substance use disorders

Updating state law to cover mental health and substance use disorders protects Ohioans and is a solid first step in ensuring the full continuum exists. To hold insurers accountable, the bill would require every health plan to submit a report including data and analysis that proves it is compliant with the law for both quantitative and nonquantitative treatment limits. An important provision prohibits insurers from imposing utilization management tools like prior authorization for prescriptions related to the treatment of substance use disorders, including medication-assisted treatment.

The MHAC is one of 26 organizations in support of aligning the federal parity law, the Mental Health Parity and Addiction Equity Act (MHPAEA), with Ohio's parity law. Please reach out with any questions.

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