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Interested Party Testimony on House Bill 443
House Health Committee
November 10, 2020

Chair Lipps, Vice Chair Holmes, Ranking Member Boyd and members of the House Health Committee, thank you for the opportunity to provide written-only interested party testimony in consideration of House Bill 443 (HB 443). Disability Rights Ohio (DRO) is the state designated and federally authorized protection and advocacy system with the mission of advocating for the human, civil, and legal rights of people with disabilities in Ohio. This includes individuals with mental health labels.

DRO applauds Representatives Plummer and Russo for introducing HB 443 which would help ensure parity for people seeking mental health services. As you know, in 2008 Congress passed the Mental Health Parity and Addiction Equity Act (MHPAEA) which prevents group health plans and health insurance issuers that provide mental health or substance use disorder (MH/SUD) benefits from imposing less favorable benefit limitations on those benefits than on medical/surgical benefits.¹ However, effective implementation of MHPAEA in Ohio has not occurred.

Two components of HB 443 would help ensure mental health parity in Ohio, bolster system capacity, and provide needed services to individuals seeking care:

- 1) Comprehensive coverage of services for individuals with mental health diagnoses; and
- 2) Establishing a more transparent reporting process for insurance companies.

Currently, data suggests insurance plans are discriminating against people with mental health diagnoses who are seeking services and supports. In 2019 the Mental Health Treatment and Research Institute released their Milliman Report which described the disparities in mental health care for individuals: among those were out-of-network services, reimbursement rates for providers, disparities for children vs. adults, and total spending on mental health care.² As you know, the mental health system in Ohio has been historically underfunded and lacks the capacity to provide care to individuals. Addressing these mental health parity issues could help provide support and bolster the system capacity for those seeking services. Lack of mental health parity

¹ 29 U.S.C § 1185a

² Milliman Research Report, Commissioned by Mental Health Treatment and Research Institute LLC, a not-for-profit subsidiary of The Bowman Family Foundation. November 19, 2019. *Addiction and mental health vs. physical health: Widening disparities in network use and provider reimbursement*. <https://www.milliman.com/-/media/milliman/importedfiles/ektron/addictionandmentalhealthvsphysicalhealthwideningdisparitiesinnetworkuseandproviderreimbursement.ashx>

could force individuals into nursing facilities, psychiatric hospitals, or jails and prisons. This would inevitably increase costs for the state.

Additionally, in Ohio, insurance companies are not being required to provide regulators with compliance analyses that are already required under MHPAEA. It is difficult to know if insurance companies are complying with federal law if they are not performing these analyses. Further, there is no evidence the Ohio Department of Insurance has fined or found violations with any insurance plan in Ohio. This is problematic, as the Milliman report finds, reimbursement levels for behavioral healthcare is 86.9% compared to primary care at 107.6%. This is nearly a 20% difference. If there were strong reporting mechanisms in Ohio, the Ohio Department of Insurance would be able to provide additional oversight of insurance plans ensuring parity for mental health care.

The US Department of Health and Human Services has reiterated the need for states to provide quality and effective oversight of insurance plans to ensure they are in compliance with MHPAEA.³ The issue of mental health parity is not new and several attempts have been made by the federal government to ensure parity for mental health services since 1961. However, if states do not take on the responsibility of enforcement, the federal law does not bear any weight.

Individuals with mental health labels should not face barriers to seeking services and supports. By ensuring comprehensive coverage and establishing insurance plan transparency the state can help ensure increased mental health system capacity and service provision to those seeking care. HB 443 is a step forward for mental health parity in Ohio.

Thank you for the opportunity to provide written-only interested party testimony on HB 443 and how the bill would help Ohioans with mental health diagnoses. If you have any questions or wish to discuss these issues further please contact Jordan Ballinger, Policy Director at jballinger@disabilityrightsohio.org or (614) 466-7264 x135.

³ United States Department of Health and Human Services. December 27, 2018. Parity Policy and Implementation. <https://www.hhs.gov/about/agencies/advisory-committees/mental-health-parity/task-force/resources/index.html>