



Senator Theresa Gavarone and Senator Sean O'Brien

2nd and 32nd Ohio Senate Districts

Sponsor Testimony for Senate Bill 254

Senate Insurance and Financial Institutions Committee

January 29, 2020

Chairman Hackett, Vice Chair Hottinger, Ranking Member Craig, and members of the Senate Insurance and Financial Services Committee, I appreciate the chance to present sponsor testimony along with my colleague and joint-sponsor Senator Sean O'Brien on Senate Bill 254.

As you all know, Ohio communities continue to struggle with the opioid crisis and rising suicide rates. While some progress has been made, we must continue our efforts to stem the tide of this public health crisis. Part of those efforts must be to ensure that Ohioans can effectively access the mental health and addiction treatment benefits they are due through their respective health insurance plans.

Requiring insurers to follow existing mental health and addiction parity laws – which state that they must cover illnesses of the brain, such as depression and addiction, the same way they treat illnesses of the body, such as diabetes and cancer – is essential to addressing Ohio's opioid crisis and rising suicide rates. SB 254 creates critically needed transparency and accountability measures to ensure compliance with parity laws and end insurance discrimination against people who need mental health and addiction treatment.

Indeed, SB 254 is a common-sense effort and straightforward in its intent. In sum, the legislation would align state law with the federal Mental Health Parity and Addiction Equity Act of 2008. This would help individuals, families, and employers better understand their insurance benefits and resources, codify certain best practices for the treatment of substance use disorder, and facilitate greater implementation and enforcement of the law through enhanced transparency and accountability of the health insurance plans and state agencies.

By way of background, President George W. Bush signed the Mental Health Parity and Addiction Equity Act into law on October 3, 2008. Parity as a concept is very simple: insurance coverage for mental health and addiction care should be no more restrictive than insurance

coverage for any other physical medical condition. Parity does not require that the benefits and reimbursement rates of insurance policies be exactly the same for all conditions, rather it requires the methodology and process for determining such appropriate coverage limits and benefit levels be on par for mental health and addictions services when compared to other physical health conditions.

Because much of Ohio's legislative efforts concerning "parity" pre-date the enactment of the federal parity law, some policy inconsistencies have developed, such as recognition for addiction treatment and limitations based on narrow and outdated definitions of conditions. Such inconsistencies, coupled with a lack of rigorous oversight by regulators and the complicated nature of health insurance, has allowed for opportunities for non-compliance.

In a 2018 evaluation of state "parity" laws conducted by [ParityTrack.org](https://www.paritytrack.org/), Ohio was given a grade of F. And a November [2019 Milliman research report](#) found significant disparities in out of network utilization rates and out-of-pocket costs for mental health and substance use disorder services. Unfortunately, the Milliman Report confirms that mental health and substance use disorders are still treated inequitably, and that much work remains to achieve true parity.

At a time when our state is facing unprecedented levels of need for addiction treatment services and mental health concerns, strong, clear and consistent state parity laws are foundational to transparency, accountability, and robust parity enforcement. Indeed, this legislation is designed to facilitate and encourage greater awareness of insurance parity rules as well as support timely and expanded access to mental health and addiction treatment so that Ohioans can recover and resume productive lives.

Importantly, SB 254 is consistent with Governor DeWine's RecoveryOhio Task Force report recommendation to align state law with the federal Parity law. The bill is consistent with several recommendations of [President Trump's Opioid Commission](#) regarding the standard collection of compliance data and information from health insurance plans, and requiring that insurers demonstrate compliance in terms of how they design and apply their managed care practices. Tennessee was the first state to codify this common-sense approach in 2018, and other states have followed suit.

Finally, SB 254 is supported by the Ohio Parity at Ten Coalition, which is a broad and diverse group of advocacy and policy organizations working to raise awareness and encourage greater enforcement of the parity laws. Below you can see a significant amount of impactful organizations that are part of the Coalition:

1. Ohio Council of Behavioral Health and Family Services Providers
2. Ohio Psychological Association
3. Ohio Psychiatric Physicians Association
4. Ohio Association of County Behavioral Health Authorities
5. Ohio Citizen Advocates for Addiction Recovery

6. Ohio Hospital Association
7. Ohio State Medical Association
8. Ohio Counseling Association
9. Ohio Poverty Law Center
10. Ohio Association of Community Health Centers
11. Ohio Children's Alliance
12. NAMI Ohio
13. National Association of Social Workers-Ohio Chapter
14. Prevention Action Alliance
15. Public Children Services Association of Ohio
16. Treatment Advocacy Center
17. UHCAN – Ohio
18. Depression and Bipolar Support Alliance
19. Ohio Autism Insurance Coalition
20. Mental Health & Addiction Advocacy Coalition
21. American College of Emergency Physicians, Ohio Chapter
22. Ohio Alliance of Recovery Providers
23. Ohio Community Corrections Association
24. Ohio Children's Hospital Association

Chairman Hackett and members of the committee, thank you for your attention to this critical issue. Senator Gavarone and I are happy to answer any questions the Committee might have.