

STATE OF NEW YORK

3694--B

2017-2018 Regular Sessions

IN ASSEMBLY

January 30, 2017

Introduced by M. of A. GUNTHER -- read once and referred to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Insurance in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to establishing the mental health and substance use disorder parity report act

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "mental health and substance use disorder parity report act".
3 § 2. Subsection (a) of section 210 of the insurance law, as amended by
4 chapter 579 of the laws of 1998, is amended to read as follows:
5 (a) The superintendent shall annually publish on or before September
6 first, nineteen hundred ninety-nine, and annually thereafter, a consumer
7 guide to insurers providing managed care products, individual accident
8 and health insurance or group or blanket accident and health insurance
9 and entities licensed pursuant to article forty-four of the public
10 health law providing comprehensive health service plans which includes,
11 in detail, a ranking from best to worst based upon each company's claim
12 processing or medical payments record during the preceding calendar year
13 using criteria available to the department, adjusted for volume of
14 coverage provided. Such ranking shall also take into consideration the
15 corresponding total number or percentage of claims denied which were
16 reversed or compromised after intervention by the department and the
17 department of health, consumer complaints to the department and the
18 department of health, violations of section three thousand two hundred
19 twenty-four-a of this chapter and other pertinent data which would
20 permit the department to objectively determine a company's performance.
21 The department in publishing such consumer guide shall publish one

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 state-wide guide or no more than five regional guides so as to facili-
2 tate comparisons among individual insurers and entities within a service
3 market area. Such rankings shall be printed in a format which ranks all
4 health insurers and all entities certified pursuant to article forty-
5 four of the public health law in one combined list. The consumer guide
6 on or before September first, two thousand nineteen and annually there-
7 after, shall include a mental health parity report and a substance uses
8 disorder parity report based upon each company's compliance with mental
9 health parity and substance use disorder parity laws based on each
10 company's record during the preceding calendar year using criteria
11 available to the department, including, but not limited to, information
12 required by this subsection and subsections (b), (c) and (d) of this
13 section. In addition, notwithstanding such requirements and any law to
14 the contrary, the data to be included in the mental health parity report
15 and the substance use disorder parity report and collected by the super-
16 intendent and the commissioner of health from insurers and health plans,
17 for such purposes shall include:

18 (1) Annual mental health parity and substance use disorder parity
19 compliance reports from each insurer and health plan outlining how it
20 complies with Timothy's law, the insurance law provisions regarding
21 substance use disorder and eating disorders and the Paul Wellstone and
22 Pete Domenici mental health parity and addiction equity act of two thou-
23 sand eight;

24 (2) Rates of utilization review for mental health and substance use
25 disorder claims as compared to medical and surgical claims, including
26 rates of approval and denial, categorized by benefits provided under the
27 following classifications, as required under 45 C.F.R. § 146.136, 29
28 C.F.R. § 2590.712 and 26 C.F.R. § 54.9812-1.: inpatient in-network,
29 inpatient out-of-network, outpatient in-network, outpatient out-of-net-
30 work, emergency care, and prescription drugs;

31 (3) The number of prior or concurrent authorization requests for
32 mental health services and for substance use disorder services and the
33 number of denials for such requests, compared with the number of prior
34 or concurrent authorization requests for medical and surgical services
35 and the number of denials for such requests, categorized by the same
36 classifications identified in paragraph two of this subsection which
37 shall also include the rates of internal and external appeals, including
38 rates of appeals upheld and overturned, specifically for mental health
39 benefits and substance use disorder benefits;

40 (4) The number of prior or concurrent authorization requests for
41 mental health services and substance use disorder services that went to
42 clinical peer review as a result of a disagreement between the service
43 provider and the insurer or health plan and the number that went to
44 clinical peer review for medical and surgical services categorized in
45 the same manner as provided in paragraph two of this subsection;

46 (5) The list of services that have a prior or concurrent authorization
47 requirement based on a numerical threshold defined by a specific number
48 of visits or days of care for mental health services, substance use
49 disorder services and medical and surgical services and identification
50 of the threshold requirements;

51 (6) The list of covered medications for the treatment of a substance
52 use disorder on the prescription drug list of the insurer or health plan
53 including tier placement, authorization requirements and all other
54 utilization management requirements;

1 (7) The percentage of claims paid for in-network mental health
2 services and for substance use disorder services and the percentage of
3 claims paid for in-network medical and surgical services;

4 (8) The percentage of claims paid for out-of-network mental health
5 services and substance use disorder services compared with the percent-
6 age of claims paid for other types of out-of-network medical and surgi-
7 cal services;

8 (9) The medical necessity criteria the insurer or health plan uses to
9 make prior authorization or continuing care and discharge determi-
10 nations, which in conjunction must be conspicuously posted for policy-
11 holders and providers to be able to review without making a request on
12 the insurer's or the health plan's website and be made available in hard
13 copy upon request;

14 (10) The number of behavioral health advocates, pursuant to an agree-
15 ment with the office of the attorney general if applicable, or staff on
16 hand to assist policyholders with benefits for mental health or
17 substance use disorder;

18 (11) The network adequacy of insurers and health plans, which in addi-
19 tion to the requirements of subsection (a) of section three thousand two
20 hundred forty-one of this chapter and subsection (c) of this section,
21 shall consist of verifying the mental health and substance use disorder
22 providers listed in an insurer's or health plan's provider directory as
23 in network. Such verification shall be provided by the insurer or health
24 plan, on a semi-annual basis, by providing its list of in-network mental
25 health and substance use disorder providers and the number of claims
26 each provider has submitted within the past six months. The list shall
27 include the name, address and telephone number of all participating
28 in-network providers. For providers that have had no claims in the past
29 six months, the insurer or health plan must provide an attestation that
30 such provider is still part of the network and that the provider is
31 accepting new patients. For qualified health plans offered on New York
32 state of health, the department of health shall review the network
33 adequacy to ensure it is consistent with 45 CFR § 156.230 and the
34 department of health's managed care network adequacy standard including
35 verification of the mental health and substance use disorder providers
36 listed in a qualified health plan's provider directory as in-network.
37 Such verification shall be provided by a qualified health plan, on a
38 semi-annual basis, by providing its list of in-network mental health and
39 substance use disorder providers and the number of claims each provider
40 has submitted within the past six months. The list shall include the
41 name, address and telephone number of all participating providers. For
42 providers that have no claims in the past six months, the qualified
43 health plan must provide an attestation that such provider is still part
44 of the network and that the provider is accepting new patients;

45 (12) The number of mental health and substance use disorder providers
46 who have left or been removed from the provider network in the past six
47 months and the reason that they have left or been removed; and

48 (13) Any other data or metric the superintendent or the commissioner
49 of health deems is necessary to measure compliance with mental health
50 parity and substance use disorder parity.

51 § 3. Paragraph 2 of subsection (c) of section 210 of the insurance
52 law, as added by chapter 579 of the laws of 1998, is amended to read as
53 follows:

54 (2) the percentage of primary care physicians who remained participat-
55 ing providers, provided however, that such percentage shall exclude
56 voluntary terminations due to physician retirement, relocation or other

1 similar reasons, and the percentage of mental health professionals,
2 defined as physicians who are licensed pursuant to article one hundred
3 thirty-one of the education law who are diplomats of the American board
4 of psychiatry and neurology or are eligible to be certified by that
5 board, or are certified by the American osteopathic board of neurology
6 and psychiatry or are eligible to be certified by that board, a social
7 worker licensed pursuant to article one hundred fifty-four of the educa-
8 tion law or a psychologist licensed pursuant to article one hundred
9 fifty-three of the education law, who remained as participating provid-
10 ers and the number of claims each type of mental health professional has
11 submitted in the last twelve months and the number of mental health
12 professionals, if any, who have not had any claims in the last twelve
13 months;

14 § 4. Subsection (d) of section 210 of the insurance law, as added by
15 chapter 579 of the laws of 1998, is amended to read as follows:

16 (d) Health insurers and entities certified pursuant to article forty-
17 four of the public health law shall provide annually to the superinten-
18 dent and the commissioner of health, and the commissioner of health
19 shall provide to the superintendent, all of the information necessary
20 for the superintendent to produce the annual consumer guide, including
21 the mental health parity report and the substance use disorder parity
22 report. In compiling the guide, the superintendent shall make every
23 effort to ensure that the information is presented in a clear, under-
24 standable fashion which facilitates comparisons among individual insur-
25 ers and entities, and in a format which lends itself to the widest
26 possible distribution to consumers. The superintendent shall either
27 include the information from the annual consumer guide in the consumer
28 shopping guide required by subsection (a) of section four thousand three
29 hundred twenty-three of this chapter or combine the two guides as long
30 as consumers in the individual market are provided with the information
31 required by subsection (a) of section four thousand three hundred twen-
32 ty-three of this chapter.

33 § 5. This act shall take effect on the sixtieth day after it shall
34 have become a law, provided, however, effective immediately, the amend-
35 ment and/or repeal of any rule or regulation necessary for the implemen-
36 tation of this act on its effective date are authorized and directed to
37 be made and completed on or before such effective date.