HB 3046 A STAFF MEASURE SUMMARY

House Committee On Behavioral Health

Action Date:	04/12/21
Action:	Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)
Vote:	9-0-0-0
Yeas:	9 - Lively, Moore-Green, Morgan, Nosse, Reynolds, Salinas, Sanchez, Sollman, Wright
Fiscal:	Fiscal impact issued
Revenue:	No revenue impact
Prepared By:	Zoe Larmer, LPRO Analyst
Meeting Dates:	2/17, 4/12

WHAT THE MEASURE DOES:

Defines terms. Requires carriers that administer claims for behavioral health benefits to conduct annual analysis of the design and application of medical necessity criteria and benefit limitations on mental health and substance use disorder benefits in comparison to medical and surgical benefits and submit those analyses to the Department of Consumer and Business Services (DCBS) and the Oregon Health Authority (OHA) on March 1 of each year. Requires agencies to report to Legislative Assembly by September 15 of each year. Becomes operative January 1, 2025. Directs coordinated care organizations (CCOs) report to OHA on their compliance with specified mental health parity requirements by June 1 of each year. Directs OHA to adopt a list of behavioral health services that may not be subject to prior authorization. Adds specified treatments to the list of behavioral health treatments CCOs must provide its members. Requires group insurer or individual benefit plan to use same methodology to set reimbursement rates for behavioral health treatment providers as is used for medical and surgical treatment providers. Directs DCBS and OHA to adopt rules making it a violation to require providers to bill with specific billing codes or restrict reimbursement to particular codes, unless based on medical necessity. Requires DCBS to evaluate insurer's network of mental and behavioral health providers for an adequate number and geographic distribution to meet needs of different groups of enrollees. Specifies that any medical necessity, utilization or other clinical review conducted for behavioral treatment or care placement must be based solely on specified criteria. Becomes operative January 1, 2023.

ISSUES DISCUSSED:

- Reimbursement rates for behavioral health providers
- Importance of parity between physical health care and mental health care
- Behavioral health workforce needs
- Barriers to accessing behavioral health care

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

In 2017, the Legislative Assembly passed House Bill 3091, which requires coordinated care organizations (CCOs) to provide and prioritize specified behavioral health services for members, including behavioral health assessments and medically necessary treatments to members in behavioral health crisis.

In 2019, the U.S. District Court of the Northern District of California ruled on the case of *Wit v. United Behavioral Health* (UBH). UBH is a firm that manages the behavioral health services for UnitedHealthcare and other health insurers. The court found that UBH rejected the insurance claims of people seeking treatment for mental health and substance use disorders based on their medical review criteria. This ruling highlighted that UBH was in

violation of the Mental Health Parity and Addiction Equity Act of 2008, which prevents group health plans and health insurance issuers who provide mental health or substance use disorder benefits from imposing less favorable benefit limitations on those benefits than on medical/surgical benefits.

House Bill 3046 A requires carriers to report on mental health parity requirements and specifies behavioral health treatment that must be provided by CCOs and covered by group health insurance and individual health plans.