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## MEMORANDUM IN OPPOSITION

## FOR IMMEDIATE RELEASE: MARCH 11, 2019

Re: A.6186 (Gunther) – AN ACT to amend the insurance law, in relation to mental health and substance use disorder parity reporting; and to repeal certain provisions of such law relating thereto

This legislation, A.6186, repeals chapter 455 of the laws of 2018, which established mental health and substance use disorder parity reporting for health plans, and replaces the statute with new reporting requirements. Accordingly, the New York Health Plan Association (HPA) opposes this legislation.

Last year when the Governor signed the bill this proposal now seeks to repeal, he noted "technical deficiencies" and the need for legislation to address those issues. This legislation fails to correct those issues. Instead, it would require entirely new reporting requirements that creates unnecessary complexity and duplication of what health plans would be required to submit to the state, driving up administrative costs at a time when plans are striving for efficiencies and cost saving measures to keep health coverage affordable for all New Yorkers.

Our member health plans provide comprehensive coverage of a wide array of services for the treatment of mental health and substance use disorder. Plans work diligently with providers to ensure consumers have access to necessary services that are consistent with the requirements of state and federal mental health parity laws. While this measure seeks to create a mechanism to oversee and report on plan compliance with these laws, the additional reporting on health plans is not necessary at this time. Moreover, we are concerned that the timing of the legislation makes implementation of such a report impossible.

Establishing new, state-specific reporting requirements has the potential to conflict with pending federal requirements. The Mental Health Parity and Addiction Equity Act (MHPAEA) of 2008 and the 21st Century Cures Act require that the financial requirements (such as coinsurance and copays) and treatment limitations (such as visit limits) imposed on mental health or substance use disorder benefits cannot be more restrictive than the predominant financial requirements and treatment limitations that apply to substantially all medical/surgical benefits in a classification. However, proposed federal guidance related to the Cures Act continues to be clarified, with the comment period open until May 3, 2019. Any state reporting requirements should be delayed until federal guidance is finalized to avoid the potential of differences in federal and state reporting requirements.

Finally, the immediate effective date raises serious operational concerns for the health plans. Requiring plans to compile a report with voluminous amounts of data for the preceding two years will take more time than is allowed by this legislation, as the first report must be submitted by July 1, 2019. The Department of Financial Services will need time to develop the processes for health plans to report this information. Likewise, health plans will need time to compile the relevant data to ensure that the resulting report is both meaningful and accurate, making the July 1, 2019 timeframe impossible to accomplish.

For these reasons stated above, we urge you to reject A.6186.