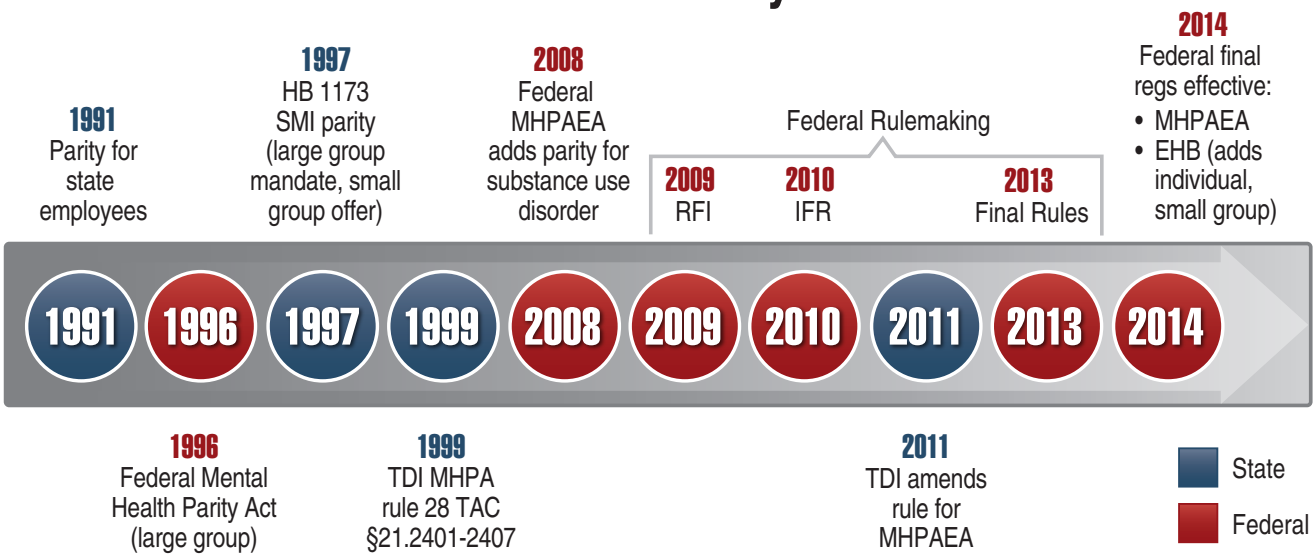
Behavioral Health Coverage in Texas

Health plans and behavioral health organizations support and are committed to the protections and coverage established by the Mental Health Parity and Addiction Equity Act and the Affordable Care Act.

Mental Health Parity Timeline



Texas Mental Health Mandate and Parity Requirements

Type of Coverage	Mandate for Mental Health and Substance Abuse Disorders	Mental Health and Substance Abuse Parity (Only Applies if the Plan is Providing Coverage)
Individual • ACA Marketplace • Outside of the Marketplace • Grandfathered/Grandmother	ACA EHB Mandate • Yes – EHB • Yes – EHB • Not required to follow EHB	Yes (if not GF/transitional) — EHB • Yes (through EHB) • Yes (through EHB) • Yes
Small Employer • Grandfathered/Grandmother • ACA Marketplace (SHOP) • Outside of the Marketplace	ACA EHB Mandate • Not required to follow EHB • Yes – EHB • Yes – EHB	Yes (if not GF/transitional) — EHB • No (2-50 employees), Yes (51+) • Yes (through EHB) • Yes (through EHB)
Large Employer (51+)	State Mandate for SMI – No EHB	Yes – State Mandate for SMI
Self Funded • Large Group • Small Group	No State SMI Mandate Not required to follow EHB Not required to follow EHB	Yes (51+) Yes (51+) No (2-50 employees)

Ensuring Access to Quality Behavioral Health Care: Health Plan Efforts

In addition to supporting behavioral health parity, health plans have demonstrated strong leadership in pioneering innovative programs to meet the health care needs of patients with mental health and substance use disorders, often through partnerships with behavioral health care organizations.

- **Amerigroup:** In Tarrant County, Amerigroup has partnered with a local non-profit to provide supportive housing for individuals experiencing homelessness. This project has helped individuals remain stable after discharge and prevent repeat hospitalizations.
- **Cigna:** Cigna recently announced it is pursuing an evidence-based approach to substance abuse treatment and opioid addiction. It aims to cut its customers' prescriptions for opioid treatments by 25% over the next three years.
- **Cigna:** Cigna Health Spring implemented an intensive behavioral health intervention that reduces the overall costs for the top 5% most expensive members by 40%. This program serves members with schizophrenia, bipolar disorder, substance abuse disorder, and personality disorder. Its motto is, "Do whatever it takes to allow the member to live as independently as possible".
- **Driscoll Health Plan:** 20 counties served by Driscoll Health Plan in South Texas have no child and adolescent psychiatrists. Driscoll developed an initiative to better serve their members including education for PCPs in behavioral health concerns in children and convened a joint project with UTMB and Behavioral Health Services of Nueces County to implement the Tele-Psych Clinic.
- **United Healthcare:** United partnered with local homeless coalitions in Houston and Austin to track down the health plan's members who don't have a stable place to live. This allows United to work with those members to find subsidized housing and help coordinate their health care. The goal is to ensure that high-risk members will make fewer expensive visits to the emergency room if they have a safe place to live. Working with ECHO (Austin homeless coalition) and the Houston Homeless Coalition, the United Pilot Program includes engagement in housing needs assessment, assignment of a housing case manager, immediate enrollment with a PCP, and a dedicated service coordinator.

Texas Mental Health Mandate and Parity RequirementsState vs. Federal

	State		Federal	
	Mental Health	Substance Abuse	Mental Health	Substance Abuse
Individual			EHB, MHPAEA	EHB, MHPAEA
Mandate	No	No	Yes	Yes
Parity	No	No	Yes	Yes
Small Group	TIC §1355.007	TIC §1368.005	EHB, MHPAEA	EHB, MHPAEA
Mandate	Offer	Yes	Yes	Yes
Parity	Offer	Yes	Yes	Yes
Large Group	TIC §1355.004	TIC §1368.005	MHPAEA	MHPAEA
Mandate	Yes	Yes	No	No
Parity	Yes	Yes	Yes	Yes

Source: Texas Department of Insurance.

Texas Mental Health Parity—Complaints by Year

	2013	2014	2015
Total # Complaints	0	7	10
Confirmed Complaints*	0	3	0

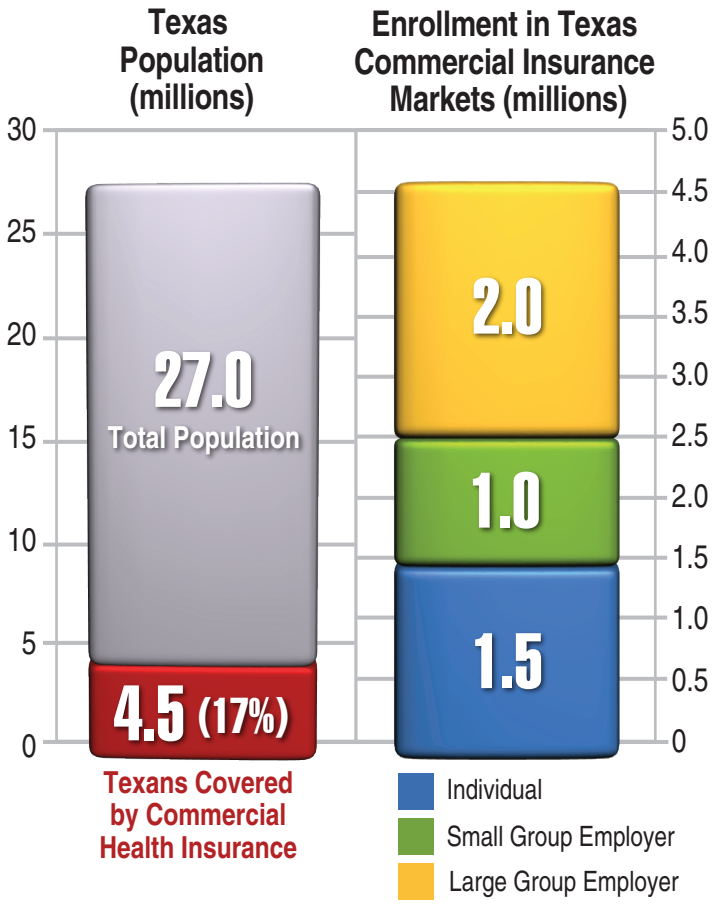
*A "confirmed complaint" is one for which TDI receives information indicating that:

1. an insurer committed any violation of:
   a. an applicable state insurance law or regulation;
   b. a federal requirement TDI has authority to enforce; or
   c. the term or condition of an insurance policy or certificate; or
2. the complaint and insurer's response, considered together, suggest the insurer was in error or the complainant had a valid reason for the complaint.

28 Tex. Admin. Code 1.603

Source: Texas Department of Insurance.

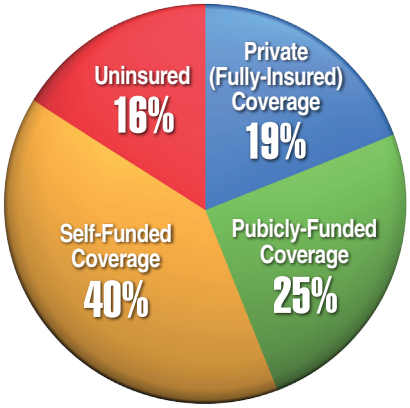
2015 Texas Commercial Health Insurance



2014 Self-Funded Coverage

Source: Texas Department of Insurance, U.S. Census Bureau, ERS, TRS, FEHBP

Coverage Overview—2014 Texas Populations Estimates



Source: Texas Department of Insurance and U.S. Census Bureau

Summary of Federal Parity Rules

- **Plans may not impose any financial requirements or treatment limitations that only apply to mental health and substance use disorder.**
- **If out-of-network coverage is a benefit, it must also apply to mental health and substance use disorders.**
- **Must use the same type of process and standards to determine medical necessity and prior authorizations (standards and reason for denial must be disclosed).**
- **Creates classifications of benefits under which parity rules apply - Benefits must be provided in all classifications.**
  - Inpatient, in-network and out-of-network
  - Outpatient, in-network and out-of-network
  - Emergency Care
  - Prescription Drugs
- **The "substantially all/predominate" test outlined in statute must be applied separately to six classifications of benefits.**
  - Plans are prohibited from imposing a financial requirement or treatment limit that is more restrictive than the "predominant" financial requirement or treatment limit restriction that applies to "substantially all" medical/surgical benefits in the same classification
  - "Predominate" was defined as "more than half" and "Substantially all" was defined as "two-thirds"
- **The Regulation distinguishes between quantitative and nonquantitative treatment limitations.**
- **Quantitative treatment limitations apply to deductibles, copays, coinsurance, out-of-pocket maximums, number of treatments, visits, or days of coverage.**
- **Nonquantitative treatment are not expressed numerically but otherwise limit the scope or duration of benefits for treatment; they include but are not limited to medical management, step therapy and pre-authorization.**
- **Nonquantitative treatment limitations include:**
  - Medical management standards limiting benefits based on medical necessity, experimental/investigative status
  - Formulary design
  - For plans with multiple network tiers, network tier design
  - Standards for provider admission to participate in a network, including reimbursement rates
  - Plan methods for determining usual, customary, and reasonable charges
  - Step therapy protocols or fail-first policies
  - Exclusions based on failure to complete a course of treatment
  - Restrictions based on geographic location, facility type, provider
  - Specialty, and other criteria that limit the scope or duration of benefits for covered services
- **Any nonquantitative treatment limits applied to mental health or substance use disorder benefits in a classification must be comparable to, and applied no more stringently than, the limitations applied with respect to medical/surgical benefits in each classification.**