

Milliman Report Talking Points
11-19-19

Outrage over the Problem

- ✓ This is at a time when our nation is experiencing the **biggest public health crisis** of our generation and **insurers have not** made behavioral health a priority.
- ✓ Peak spending on **SUD was only 1%** of total healthcare spending during the 5 years – that's equal to \$1 out of every \$100.
- ✓ Peak spending on **MH was only 2.4%** of total healthcare spending during the 5 years – that's merely \$2.40 out of every \$100.
- ✓ People cannot get access to network care for behavioral health treatment!
- ✓ Provider shortages have been addressed on the medical side with plans getting PCP and medical specialists to join networks through higher reimbursements, but health insurers are still paying **behavioral health providers less than Medicare allowable rates**. Not only are payments disparate, but behavioral payments are not even at Medicare for commercial payers.
- ✓ Health plans consistently create **unnecessary barriers to behavioral healthcare** services by limits on in-network providers, delays in credentialing new providers, extreme utilization-review tactics not based on medically necessary care, as well as significantly lower reimbursement rates.
- ✓ Insurers say that their behavioral health networks are full – when we all know that is **not the case**.
- ✓ People need more access to care, more quickly; not less.

Sampling of recent actions

The March 5, 2019 ruling in the case of **Wit vs. United Behavioral Health (UBH)** concluded that **UBH** used flawed medical review criteria to wrongly reject the claims of more than 50,000 people who were attempting to obtain coverage for mental health and addiction treatment.

PA's Insurance Dept. officials announced in early Nov. 2019 a **\$1 million fine** against United Healthcare for denial of, or sometimes failure to pay, customers' claims relating to mental health care. United also inaccurately calculated consumers' total out-of-pocket costs for claims relating to autism, according to the state Insurance Department. The company's actions were in violation of the federal parity law.

Blue Cross & Blue Shield of Rhode Island agreed to pay **\$5 million** in Sept. 2018 to expand mental health services following an audit by the state that found the insurer to be "out of compliance" with various state and federal laws.

Aetna was fined \$190,000 in January 2019 for not complying with the federal parity law. Aetna did not cover substance use disorder (SUD) and autism spectrum disorder as it was required to, according to a review by PA's Dept. of Insurance. Violations included incorrect application of copays, coinsurance and visit limits, as well as violations involving prior authorization for treatment and step therapy.

- ✓ Disparities between physical and behavioral health in-network and provider reimbursement rates are making it harder for American families to find affordable and available mental health and addiction treatment, putting lives at risk every day.

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- ✓ The Milliman Report shows that in-network mental health and addiction care is much harder to find, forcing employees and their family members to either pay significantly more for “out of network” care, or – even worse – go without care entirely.
- ✓ Lack of access to behavioral health care is appalling, considering the number of suicides in America have increased from just over 41,000 in 2013 to more than 47,000 in 2017. This includes a 42% increase in suicides among those under 18 yrs of age.
- ✓ Deaths of any type related to substance use have ballooned from roughly 75,000 (75,472) in 2013 to nearly 110,000 (109,813) in 2017, and increase of 45.5%.
- ✓ Think about it, if you had to pay more out-of-pocket by visiting an “out of network” provider every time you needed a colonoscopy, annual mammogram or blood work, you wouldn’t do it as often, if at all.

The Situation Is Getting Worse

- ✓ The study shows the disparity between “in network” use of physical health care providers and mental health care providers has grown dramatically, which can have dire consequences for American families.
- ✓ In 2013, “out of network” behavioral health facilities were 2.8 times more likely to be utilized than “out of network” medical/surgical facilities. In 2017, that disparity had grown to 5.2 times more likely, **an increase of 85% over five years**.
- ✓ **The disparities are particularly bad for children.** In 2017, a behavioral health office visit was **10.1 times** more likely to take place at an “out of network” provider than “in network,” more than double the adult disparity.
- ✓ **At a time when the US faces a growing opioid addiction crisis, the use of out-of-network treatment has increased in all settings over the five years studied.** Addiction treatment patients were **over 10 times** more likely to use “out of network” facilities than medical/surgical patients.
- ✓ **Reimbursement rate disparities have widened throughout the last five years:**
 - In 11 states, reimbursement rates for primary care office visits were more than 50% higher than reimbursement rates for behavioral office visits.
 - In 13 others, primary office visit reimbursement rates were between 30%-49% higher than behavioral office visits.

Spending on Behavioral Care has remained essentially flat as a portion of Total Healthcare Spending

Spending for all mental health treatment (excluding prescription drugs and substance use) has ranged between 2.2% and 2.4% of total healthcare spending for the five years and spending for all substance use treatment (excluding prescription drugs and mental health) has never exceeded 1% of total healthcare spending, ranging from .7% to 1.0%.

What Can Be Done?

- ✓ Insurers and health plans must:
 - Raise reimbursement rates for MH/SUD providers to establish on par provider networks
 - Lessen burdensome UR practices that keep providers from joining networks
 - Reduce delays and administrative burdens to joining networks.

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- ✓ Regulators must act to enforce the Federal Parity Act, e.g., by conducting audits that uncover reimbursement, network admission and UR disparities to address problems that this report obviously demonstrates.
- ✓ Employers, insurers, and government regulators must all work together - to that end, a new and exciting campaign, the “**Path Forward for Mental Health and Substance Use,**” was announced on Nov. 12 with the goal of reducing these disparities in access to care.
- ✓ **Further, federal and state parity regulators need to increase their oversight in key areas:**
 - Require health plans to provide comparative quantitative data covering parameters such as out-of-network use rates, reimbursement rates, denial rates, pre-authorization requirement rates, and concurrent review rates;
 - Specify detailed definitions and instructions for comparative data analyses using a common standard, such as the Model Data Request Form currently being used by the National Alliance, Milliman, and employers.