Sixty-sixth **HOUSE BILL NO. XXX**

Legislative Assembly

of North Dakota

Introduced by

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A BILL for an Act to create and enact a new section to chapter 26.1-36 of the North Dakota Century Code, relating to mental disorder and substance abuse parity.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**Section 1.** A new section to chapter 26.1-36 of the North Dakota Century Code is created and enacted as follows:

1. Each insurance company, nonprofit health service corporation, or health maintenance organization that issues, executes, or renews any health insurance policy or health service contract on an individual, group, blanket, franchise, or association basis that provides mental disorder or substance abuse benefits shall submit an annual report to the commissioner on or before March 1st, that contains the following information:
   1. A description of the process used to develop or select the medical necessity criteria for mental disorder or substance abuse benefits and the process used to develop or select the medical necessity criteria for medical and surgical benefits.
   2. Identification of all non-quantitative treatment limitations (NQTLs) that are applied to both mental disorder or substance abuse benefits and medical and surgical benefits within each classification of benefits; there may be no separate NQTLs that apply to mental disorder or substance abuse benefits but do not apply to medical and surgical benefits within any classification of benefits.
   3. The results of an analysis that demonstrates that for the medical necessity criteria described in item a. and for each NQTL identified in item b., as written and in operation, the processes, strategies, evidentiary standards, or other factors used in applying the medical necessity criteria and each NQTL to mental disorder or substance abuse benefits within each classification of benefits are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used in applying the medical necessity criteria and each NQTL to medical and surgical benefits within the corresponding classification of benefits; at a minimum, the results of the analysis shall:
      1. Identify the factors used to determine that an NQTL will apply to a benefit, including factors that were considered but rejected.
      2. Identify and define the specific evidentiary standards used to define the factors and any other evidence relied upon in designing each NQTL.
      3. Provide the comparative analyses, including the results of the analyses, performed to determine that the processes and strategies used to design each NQTL, as written, and the as written processes and strategies used to apply the NQTL to mental disorder or substance abuse benefits are comparable to, and are applied no more stringently than, the processes and strategies used to design each NQTL, as written, and the as written processes and strategies used to apply the NQTL to medical and surgical benefits.
      4. Provide the comparative analyses, including the results of the analyses, performed to determine that the processes and strategies used to apply each NQTL, in operation, for mental disorder or substance abuse benefits are comparable to, and applied no more stringently than, the processes or strategies used to apply each NQTL, in operation, for medical and surgical benefits.
      5. Disclose the specific findings and conclusions reached by the insurance company, nonprofit health service corporation, or health maintenance organization that the results of the analyses above indicate that the insurance company, nonprofit health service corporation, or health maintenance organization is in compliance with this section and the Mental Health Parity and Addiction Equity Act of 2008 and its implementing and related regulations, which includes 45 CFR 146.136, 45 CFR 147.160, and 45 CFR 156.115(a)(3).