**South Carolina General Assembly**

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**AXX, RXX, SXX**

**STATUS INFORMATION**

General Bill

Sponsors:

Document Path:

Companion/Similar bill(s):

Introduced in the Senate on \_\_\_\_\_\_\_\_\_\_\_\_\_

Introduced in the House on \_\_\_\_\_\_\_\_\_\_\_\_\_

Summary: Mental health and substance use disorder parity

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

**VERSIONS OF THIS BILL**

(AXX, RXX, SXX)

**AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38‑71‑885 SO AS TO REQUIRE HEALTH INSURANCE ISSUERS TO DEMONSTRATE COMPLIANCE WITH THE MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT (MHPAEA) OF 2008.**

Be it enacted by the General Assembly of the State of South Carolina:

**Insurance, mental health and substance use disorder parity**

SECTION 1. Chapter 71, Title 38 of the 1976 Code is amended by adding:

 “Section 38‑71‑885. (A) All health insurance issuers that provide mental health and substance use disorder benefits shall submit an annual report to the commissioner on or before March 1 that contains the following information:

 (1) A description of the process used to develop or select the medical necessity criteria for mental health and substance use disorder 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 health and substance use disorder benefits and medical and surgical benefits within each classification of benefits; there may be no separate NQTLs that apply to mental health and substance use disorder 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 paragraph (1) and for each NQTL identified in paragraph (2), 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 health and substance use disorder 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:

 (a) Identify the factors used to determine that an NQTL will apply to a benefit, including factors that were considered but rejected.

 (b) Identify and define the specific evidentiary standards used to define the factors and any other evidence relied upon in designing each NQTL.

 (c)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 health and substance use disorder 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.

 (d) 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 health and substance use disorder benefits are comparable to, and are applied no more stringently than, the processes or strategies used to apply each NQTL, in operation, for medical and surgical benefits.

 (e) Disclose the specific findings and conclusions reached by the issuer that the results of the analyses above indicate that the issuer 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).”

 (B) For the purposes of this section:

 (1) "Health insurance issuer" or "issuer" means an entity that provides health insurance coverage in this State as defined in Section 38-71-840(16).

 (2) “Mental health and substance use disorder benefits” means benefits for the treatment of any condition or disorder that involves a mental health condition or substance use disorder that falls under any of the diagnostic categories listed in the mental disorders section of the current edition of the International Classification of Disease or that is listed in the mental disorders section of the most recent version of the Diagnostic and Statistical Manual of Mental Disorders.

**Time effective**

SECTION 2. This act takes effect June 30, 2019, and applies to health insurance issuers on or after the effective date of this act.