*Session of 2019*

**HOUSE BILL No. XXXX**

By Committee on Insurance

X-X

AN ACT concerning insurance; requiring parity compliance reports; specifying commissioner implementation and reporting requirements.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) The commissioner shall implement and enforce applicable provisions of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, and any amendments to, and any federal guidance or regulations relevant to, that act, including 45 CFR 146.136, 45 CFR 147.136, 45 CFR 147.160, and 45 CFR 156.115(a)(3), which includes:

(1) Proactively ensuring compliance by health insurers that issue health benefit plans.

(2) Evaluating all consumer or provider complaints regarding mental illness and substance use disorder coverage for possible parity violations.

(3) Performing parity compliance market conduct examinations of health insurers that issue health benefit plans, particularly market conduct examinations that focus on nonquantitative treatment limitations such as prior authorization, concurrent review, retrospective review, step-therapy, network admission standards, reimbursement rates, and geographic restrictions, among other nonquantitative treatment limitations.

(4) Requesting that health insurers submit comparative analyses during the form review process demonstrating how they design and apply nonquantitative treatment limitations, both as written and in operation, for mental illness and substance use disorder benefits as compared to how they design and apply nonquantitative treatment limitations, as written and in operation, for medical and surgical benefits.

(5) The Commissioner may adopt rules as may be necessary to effectuate any provisions of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 that relate to the business of insurance.

(b) Not later than January 31st, 2020, the commissioner shall issue a report and educational presentation to the Legislature; such report and presentation shall:

(1) Cover the methodology the commissioner is using to check for compliance with the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA), and any federal regulations or guidance relating to the compliance and oversight of MHPAEA.

(2) Cover the methodology the commissioner is using to check for compliance with K.S.A. 40-2, 105, 40-2, 105a, and 40-2, 105b.

(3) Identify market conduct examinations conducted or completed during the preceding 12-month period regarding compliance with parity in mental illness and substance use disorder benefits under state and federal laws and summarize the results of such market conduct examinations.

(4) Detail any educational or corrective actions the commissioner has taken to ensure health insurer compliance with MHPAEA and relevant section(s) of state law.

(5) The report must be written in non-technical, readily understandable language and shall be made available to the public by, among such other means as the commissioner finds appropriate, posting the report on the website of the insurance department.

(c) For the purposes of this section:

(1) “Health benefit plan" shall have the meaning ascribed to it in K.S.A. 40-4602, and amendments thereto. Health benefit plan shall also include any policy of health insurance purchased by an individual.

(2) "Health insurer" shall have the meaning ascribed to it in K.S.A. 40-4602, and amendments thereto.

(3) “Mental illness or substance use disorder” 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.

(4) “Nonquantitative treatment limitation” means limitations that are not expressed numerically but otherwise limit the scope or duration of benefits for treatment.

Section 2. This act shall take effect and be in force from and after its publication in the Kansas register.