# AN ACT relating to mental health parity.

***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

# SECTION 1. A NEW SECTION OF KRS 304.17A-670 TO 304.17A-676 IS CREATED TO READ AS FOLLOWS:

As used in KRS 304.17A-670 to 304.17A-676 as it pertains to mental health parity:

## (1) "Health benefit plan" has the same meaning as in KRS 304.17A-005;

## (2) "Insurer" has the same meaning as in KRS 304.17A-005;

## (3) "Mental health condition" has the same meaning as in KRS 304.17A-660; and

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

# SECTION 2. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

# ***All insurers that issue, deliver, or renew any health benefit plan that provides coverage for treatment of mental health conditions must submit an annual report to the commissioner on or January 31st that contains the following information:***

# ***A description of the process used to develop or select the medical necessity criteria for mental health condition benefits and the process used to develop or select the medical necessity criteria for medical and surgical benefits;***

# ***Identification of all non-quantitative treatment limitations (NQTLs) that are applied to both mental health condition benefits and medical and surgical benefits within each classification of benefits; there may be no separate NQTLs that apply to mental health condition benefits but do not apply to medical and surgical benefits within any classification of benefits;***

# ***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 health condition 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:***

# ***Identify the factors used to determine that an NQTL will apply to a benefit, including factors that were considered but rejected;***

# ***Identify and define the specific evidentiary standards used to define the factors and any other evidence relied upon in designing each NQTL;***

# ***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 condition 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;***

# ***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 condition 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; and***

# ***Disclose the specific findings and conclusions reached by the insurer that the results of the analyses above indicate that the insurer 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).***