

# Colorado Division of Insurance SMART Act Hearing

Health and Human Services Committees  
January 21, 2025

# Introduction and Agenda

- Background on Mental Health Parity
- Division Enforcement Activities
- Additional Resources and Where to Find More Information

# Background: Mental Health Parity

Mental Health Parity: The comparability of **mental health and substance use disorder (SUD)** coverage to **medical and surgical** care coverage.

It's measured with **quantitative treatment limitations (QTLs)** and **non-quantitative treatment limitations (NQTLs)**.

# Background: Mental Health Parity

## QTL Examples

- Copays
- Coinsurance
- Deductibles
- Visit limits
- RX quantity limits

## NQTL Examples

- Network admission standards
- Provider reimbursement
- Medical necessity criteria
- Utilization management protocols (prior auth., concurrent review)
- Pharmacy benefit design
- Utilization management processes
- Fail-first and step therapy requirements
- Provider reimbursement practices



# Relevant Mental Health Parity Policy

## **Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA)**

- Recent federal regulation changes

## **Patient Protection and Affordable Care Act of 2010 (ACA)**

- Mental health/SUD included in ten (10) essential health benefits (EHB)

## **Colorado Behavioral Health Care Coverage Modernization Act (2019)**

- Consumer communication requirements
- Network adequacy standards
- Minimum coverage requirements (International Classification of Diseases and Diagnostic and Statistical Manual of Mental Disorders)
- Annual data reporting requirements

## **Colorado Insurance Regulation 4-2-64 Concerning Mental Health Parity in Health Benefit Plans**

# Division Enforcement: Annual Rates and Forms Processes

- Regulation 4-2-64 Review
  - Data and underlying processes/standards as written and in operation
  - Ex: Financial requirement investigation highlights and annual review
- ACA Season Reviews
  - Explanation of Benefits (EOB) and Summary of Benefits Coverage (SBC)
  - RX design, including medication-assisted treatment (MAT)

# Division Enforcement: Market Conduct Exams and Inquiries

- One current market conduct exam (ongoing)
  - Thoroughly reviews carrier compliance in practice vs. in policy
  - Substantiated by review of data submitted pursuant to Regulation 4-2-64, consumer complaints, provider complaints
- Market enforcement actions and inquiries (ongoing)
  - Various topics

# Division Enforcement: Consumer and Provider Complaints

- **Consumer Services Team**
  - Number of complaints increasing each year
- **Behavioral Health Provider Complaints**
  - Launched Sept. 2023
  - Helpful in assessing compliance in practice and potentially systemic issues
  - Variety of topics, including credentialing timelines, claims processing, and reimbursement
  - Behavioral health provider resource page on Division website



# Division Enforcement: Education and Literacy

- Additional mental health/SUD-specific information on Division website for consumers and providers
  - File a Complaint
  - Understanding one's mental health benefits
  - How to find a provider using one's insurance
  - Red flags for parity issues
- Frequently asked questions by providers on private insurance networks, claims processing requirements, and how to contact the Division for assistance
  - [dora\\_bh\\_provider\\_issues@state.co.us](mailto:dora_bh_provider_issues@state.co.us)

# Resources and Additional Information

## [Mental / Behavioral Health and Insurance Resources for Consumers](#)

- [File a Complaint](#)
- [LGBTQ Health Care Rights and Resources](#) (includes RX Guides)

## [Commercial Insurance Resources for Behavioral Health Providers in Colorado](#)

- [Behavioral Health Provider Complaint Form](#)
- [dora\\_bh\\_provider\\_issues@state.co.us](mailto:dora_bh_provider_issues@state.co.us)

## [2024 Division of Insurance Mental Health Parity Report](#)

- More detailed annual reporting information

## [Previous Years Reports: Mental Health Parity Reports from Division of Insurance](#)

- [2022 Report on the Premium Impact of HB19-1269 - Behavioral Health Care Coverage Modernization Act](#)

# Questions and Contact Information

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