



**NH Department of Health and Human Services  
Medicaid Services**

**Mental Health and Substance Use Disorder Parity  
October 2, 2017**

## **Introduction:**

The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA or Parity Act) requires health insurance carriers to achieve coverage parity between Mental Health/Substance Use Disorders (MH/SUD) and medical/surgical benefits, especially in regard to financial requirements and treatment limitations. In March of 2016 the Centers for Medicare and Medicaid Services (CMS) finalized a rule to strengthen access to mental health and substance use services for people with Medicaid or Children's Health Insurance Program (CHIP) coverage, aligning with protections already required of private health plans.

This report provides information about the New Hampshire Department of Health and Human Services' (NHDHHS) Parity Analysis completed in September of 2017.

## **New Hampshire's Approach to Determining Parity**

On July 3, 2017, NH DHHS requested that New Hampshire's two managed care health plans, New Hampshire Healthy Families and Well Sense Health Plan, conduct an analysis of compliance with the Mental Health Parity and Addiction Equity Act. The Plans were required to provide information about limitations imposed by the health plan for each NH Medicaid behavioral health, substance use disorder and medical/surgical service<sup>1</sup> as well as narrative responses<sup>2</sup> to questions designed to elicit assurances that the plans have processes and procedures in place to ensure parity between behavioral health/substance use disorders services and medical/surgical services.

Upon completion of the analysis on September 15, 2017, each Plan submitted a certification attesting that a comprehensive review of the administrative, clinical, and utilization practices of the managed care entity for calendar year 2016 was conducted and that the Plan is in compliance with the necessary provisions of the Federal Mental Health Parity Law. In addition, New Hampshire's Children's Health Insurance Program [CHIP], Alternative Benefits Plan [ABP] and 1915c Home and Community Based Care Waivers were reviewed by DHHS and found to be in compliance with the necessary provisions of the Federal Mental Health Parity Law.

## **The following activities were undertaken as part of the NHDHHS Parity Analysis:**

**Technical Assistance:** Key DHHS staff participated in the "Parity Academy" through which NHDHHS received technical assistance to guide its parity analysis activities from the Substance Abuse and Mental Health Services Administration [SAMHSA] and the Centers for Medicare and Medicaid Services [CMS].

**NH Medical Care Advisory Committee [MCAC]:** NHDHHS collaborated with the NH MCAC which provided input into the Department's parity analysis activities.

**Managed Care Organization [MCO] requirements:** NHDHHS developed and implemented contract

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<sup>1</sup> Please see Appendix B

<sup>2</sup> Please see Appendix C

requirements for participation in parity analysis activities and ongoing parity compliance<sup>3</sup>.

**Public Input:** NHDHHS provided a dedicated email address for stakeholder input: [nhparity@dhhs.nh.gov](mailto:nhparity@dhhs.nh.gov) and hosted four stakeholder input sessions [two in-person and two online] with approximately 25 attendees.

**Web page:** NHDHHS developed a web page for information sharing located at: <https://www.dhhs.nh.gov/ombp/medicaid/parity.htm>.

**Collaboration with the New Hampshire Insurance Department:** NHDHHS worked closely with the NH Insurance Department to align, to the extent possible, the Parity initiatives ongoing for commercial insurance plans with those happening in the NH Medicaid program.

**Monitoring and Compliance:** NHDHHS developed a Compliance Monitoring Plan<sup>4</sup> outlining how the Department will ensure ongoing compliance with the parity requirements.

### **Conclusion**

The NH Medicaid Program, as determined through its Parity Analysis, is in compliance with the Mental Health Parity and Addiction Equity Act. However, the Department's work on ensuring parity between mental health/substance use disorder services and medical/surgical services is far from over. The Department, through implementation of its Compliance Monitoring Plan, will be conducting additional parity analysis activities over the next year to ensure appropriate follow-up for any indications of Parity noncompliance.

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<sup>3</sup> Please see Appendix A

<sup>4</sup> Please see Appendix D

## **Appendix A: MCO Contract: Parity Requirements**

The following Parity-related requirements for Well Sense Health Plan and New Hampshire Healthy Families are found in the New Hampshire Medicaid Care Management Contract — SFY2018, Exhibit A - Amendment #12, found at: [http://sos.nh.gov/nhsos\\_content.aspx?id=8589969372](http://sos.nh.gov/nhsos_content.aspx?id=8589969372), click on: [#18](#) .

### **12.7. Parity**

12.7.1. The MCO and its subcontractors must comply with the Mental Health Parity and Addiction Equity Act of 2008, 42 CFR part 438, subpart K, which requires the MCOs to not discriminate based upon an enrollee's health status of having a mental health or substance use disorder.

12.7.1.1. The MCO shall not impose aggregate lifetime or annual dollar limits on mental health or substance use disorder benefits.

12.7.1.2. The MCO shall not apply any financial requirement or treatment limitation applicable to mental health or substance use disorder benefits that are more restrictive than the predominant treatment limitations applied to substantially all medical and surgical benefits covered by the plan (or coverage), and the MCO shall not impose any separate treatment limitations that are applicable only with respect to mental health or substance use disorder benefits.

12.7.1.3. The MCO shall not impose Non- Quantitative Treatment Limits for mental health or substance use disorder benefits in any classification unless, under the policies and procedures of the MCO as written and in operation, any processes, strategies, evidentiary standards, or other factors used in applying the Non-Quantitative Treatment Limits to mental health or substance use disorder benefits in the classification are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used in applying the limitation for medical/surgical benefits in the classification.

12.7.1.4. Annual Certification with Federal Mental Health Parity Law: The MCOs must review their administrative and other practices, including the administrative and other practices of any contracted behavioral health organizations or third party administrators, for the prior calendar year for compliance with the relevant provisions of the Federal Mental Health Parity Law, regulations and guidance issued by state and federal entities.

12.7.1.4.1. The MCO must submit a certification signed by the chief executive officer and chief medical officer stating that the MCO has completed a comprehensive review of the administrative, clinical, and utilization practices of the managed care entity for the prior calendar year for compliance with the necessary provisions of State Mental Health Parity Laws and Federal Mental Health Parity Law and any guidance issued by state and federal entities.

12.7.1.4.2. If the MCO determines that all administrative, clinical, and utilization practices were in compliance with relevant requirements of the Federal Mental Health Parity Law during the calendar year, the certification will affirmatively state, that all relevant administrative and other practices were in compliance with Federal Mental Health Parity Law and any guidance issued by state and federal entities.

12.7.1.4.3. If the MCO determines that any administrative, clinical, and utilization practices were not in compliance with relevant requirements of the Federal Mental Health Parity Law or guidance issued by state and federal entities during the calendar year, the certification will state that not all practices were in compliance with Federal Mental Health Parity Law or any guidance issued by state or federal entities and will include a list of the practices not in compliance and the steps the managed care entity has taken to bring these practices into compliance.

- 12.7.1.5. The MCO shall complete the DHHS Parity Compliance Report annually and shall include:
- 12.7.1.5.1. All Non-Quantitative and Quantitative Treatment Limits identified by the MCOs pursuant to DHHS criteria;
  - 12.7.1.5.2. All member grievances and appeals regarding a parity violation and resolutions;
  - 12.7.1.5.3. The processes, strategies, evidentiary standards, or other factors in determining access to out-of-network providers for mental health or substance use disorder benefits that are comparable to, and applied no more stringently than, the processes, strategies, evidentiary standards, or other factors in determining access to out-of-network providers for medical/surgical benefits in the same classification; and
  - 12.7.1.5.4. Any other requirements identified by DHHS.
- 12.7.1.6. A member enrolled in any MCO may file a complaint with the New Hampshire Insurance Department at <https://www.nh.gov/insurance/consumers/complaints.htm> if services are provided in a way that is not consistent with applicable Federal Mental Health Parity laws, regulations or federal guidance.

## **Appendix B: NH DHHS Request for Parity Analysis: Narrative**

### **New Hampshire Department of Health and Human Services MCO Mental Health and Substance Use Disorder Parity Analysis July 3, 2017**

As required in the contract between the Health Plan and DHHS, the Plan is required to complete an Annual Certification of compliance with Federal Mental Health Parity Law [42 CFR part 438, subpart K]. Specifically, the MCO must review their administrative and other practices, including the administrative and other practices of any contracted behavioral health organizations or third party administrators *for calendar year 2016* for compliance with the relevant provisions of the Federal Mental Health Parity Law, regulations and guidance issued by state and federal entities.

The Plan must conduct an analysis by completing the Excel document entitled: *NH DHHS Parity Analysis Tool (BHPARITY.01): July 3, 2017* and by providing narrative responses to the questions in this document entitled: *New Hampshire Department of Health and Human Services, Mental Health and Substance Use Disorder Parity Analysis, July 3, 2017*.

Following completion of the analysis, the Plan must submit a certification signed by the chief executive officer and chief medical officer stating that the MCO has completed a comprehensive review of the administrative, clinical, and utilization practices of the managed care entity for calendar year 2016 for compliance with the necessary provisions of the Federal Mental Health Parity Law.

If the Plan determines that all administrative, clinical, and utilization practices were in compliance with the relevant requirements of the Federal Mental Health Parity Law during the calendar year, the certification will affirmatively state that all relevant administrative and other practices were in compliance with Federal Mental Health Parity Law.

If the Plan determines that all administrative, clinical, and utilization practices were *not* in compliance with relevant requirements of the Federal Mental Health Parity Law during the calendar year, the certification will list the areas of non-compliance and provide a corrective action plan to the state, outlining how all relevant administrative and other practices will come into compliance with Federal Mental Health Parity Law.

Plans must provide responses to the following:

1. An explanation of any differences in your processes used to develop the mental health/substance use disorder medical criteria vs. the processes used to develop medical/surgical criteria.
2. Identify which person is responsible for the ultimate approval of the utilization review criteria used by your organization, and explain whether it is a different person for mental health/substance use disorder criteria than for medical/surgical criteria. If different, please explain why your organization finds it appropriate under the Mental Health Parity Laws to have a different person responsible for the ultimate approval of the different utilization review criteria.

3. If there are different people responsible for the ultimate approval of the different medical necessity criteria, please also identify if the experts used are employees of, employees of a subcontractor of, or consultants of the NH DHHS contracted health plan.
4. An explanation of any differences in the processes you may require a mental health/substance use disorder provider to follow to request authorization for services and/or to provide information that demonstrates the medical necessity of a requested service, when compared to the processes you require for medical/surgical providers and the reasons why the processes may differ.
5. If there are differences in processes, please also answer the above item as such processes relate to inpatient medical/surgical services authorizations.
6. Identify which person is responsible for the ultimate approval of provider enrollment and credentialing for your organization, and explain whether it is a different person for mental health/substance use disorder criteria than for medical/surgical criteria. If different, please explain why your organization finds it appropriate under the Mental Health Parity Laws to have a different person responsible for the ultimate approval of the different provider enrollment and credentialing criteria.
7. Please identify the working hours and off-hours availability of utilization review staff that your organization uses to review requests for mental health/substance use disorder services and that your organization uses to review requests for medical/surgical services. If the working hours or off-hours availability of utilization review staff for mental health/substance use disorder services are different, please explain why your organization finds this to be appropriate under the Mental Health Parity Law.
8. Please identify any information you require a mental health/substance use disorder provider to submit to request mental health/substance use disorder services that may be different from information you require a medical/surgical provider to submit to request medical/surgical services. Please explain the reasons that the request for the different information for mental health/substance use disorder services is appropriate and necessary in relation to the Mental Health Parity Law.
9. Please identify any differences between processes, standards and criteria that apply to mental health/substance use disorder services when compared to processes, standards, and criteria that apply to medical/surgical services.
10. Please identify any requirements or processes that condition approval of mental health/substance use disorder benefits on completion of a course of treatment.
11. Please identify any restrictions in mental health/substance use disorder benefits based on geographic location, facility type, or provider specialty.
12. Please describe any differences in the standards for granting authorization for out-of-network services between those for mental health/substance use disorder services vs. those for medical/surgical services.

13. Please identify the person within your organization or in a contracting utilization review organization, by title, who is responsible to oversee authorization for out-of-network mental health/substance use disorder services. Please identify the person within your organization or in a contracting utilization organization, by title, who is responsible to oversee authorization for out-of-network medical/surgical services. If these are not the same person, please explain why your organization has different persons responsible to oversee the requests for out-of-network mental health/substance use disorder services as compared to requests for out-of-network medical/surgical services, and why your organization finds it appropriate under the Mental Health Parity Laws to have different persons responsible for the day-to-day administration.

14. Please identify the systems (e.g., mailed claim forms, telephone, e-mail, internet portal) that your organization or a contracting utilization review organization uses to process requests for out-of-network mental health/substance use services. Please identify the systems (e.g., mailed claim forms, telephone, e-mail, internet portal) that your organization or a contracting utilization review organization uses to process requests for out-of-network medical/surgical services. If any of the systems are different, including, for example, the use of different internet portals, please explain why it is appropriate under the Mental Health Parity Law to have a different system for the day-to-day reviews of requests for services.

15. Please identify any information that you require a mental health/substance use disorder provider to submit to request out-of-network mental health/substance use disorder services if that information differs from information you require a medical/surgical provider to submit to request out-of-network medical/surgical services. Please explain the reasons that the request for the different information for mental health/substance use services is appropriate and necessary in relation to the Mental Health Parity Law.

16. For the managed care plan you offer NH Medicaid enrollees, a description of:

a. Any differences in financial requirements, annual lifetime or annual dollar limits, quantitative treatment limitations or non quantitative treatment limitations that apply to mental health/substance use disorder services that may differ from requirements or limitations that apply to medical/surgical services within a classification along with an explanation of why the differences may be acceptable under Federal Mental Health Parity Law. Specifically, please demonstrate that you do not apply any requirements or limitation to mental health or substance use disorder benefits in any classification that are more restrictive than the predominant financial requirement or treatment limitations of that type applied to substantially all medical /surgical benefits in the same classification.

b. Pharmacy benefit limitations and copayments associated with mental health/substance use disorder treatments that differ from pharmacy limitations and copayments associated with medical/surgical treatments, along with an explanation of why the differences may be acceptable under Federal Mental Health Parity Law.

c. Is there a different formulary design for prescription drugs for mental health and substance use disorders? If so, please provide an explanation as to why there are differences.

17. Please confirm that your use of benefit limitations are exactly the same for the following services and benefits or identify and explain all differences and the reasons that they are acceptable under the Federal Mental Health Parity Law:

- a. Inpatient mental health/substance use disorder services and inpatient medical/surgical services; and,
- b. Outpatient mental health/substance use disorder services and outpatient primary care medical services.

18. Please identify the persons within your organization, by title, who conducted the analysis of the federal parity standards and conducted the review of all differences with federal parity standards.

# Appendix C: NH DHHS Request for Parity Analysis: Classification Grid

1	A Inpatient		B Outpatient			C Prescription Drug			D Emergency Care		E NH Administrative Rule Reference
	Quantitative Treatment Limit: Yes/No	Non-Quantitative Treatment Limit: Yes/No	Quantitative Treatment Limit: Yes/No	Non-Quantitative Treatment Limit: Yes/No	Quantitative Treatment Limit: Yes/No	Non-Quantitative Treatment Limit: Yes/No	Quantitative Treatment Limit: Yes/No	Non-Quantitative Treatment Limit: Yes/No	Quantitative Treatment Limit: Yes/No	Non-Quantitative Treatment Limit: Yes/No	
2	<b>Medical Surgical (MS) Benefits</b>										
3			Adult Medical Day Care								He-E 803
4	Advance Practice Registered Nurse (APRN)		APRN Preventive								He-W 534 & He-W 513
5			Primary Care								
6			Certified, Non-Nurse Midwife								He-W 538
7											
8											He-W 543
9	Chemotherapy		Chemotherapy			Chemotherapy					He-W 531 He-W 570
10			Clinic Services including ASC and end stage renal disease clinics								----
11											
12			Clinic, medical services, methadone, buprenorphine								He-W 536 & He-W 513
13	Dialysis		Dialysis								He-W 543
14											He-W 531
15			DME								He-W 571
16	EPSDT		EPSDT						EPSDT		He-W 546
17									Emergency medical transportation services		He-W 572
18			Extended services to pregnant women								He-W 548
19	Family planning services		Family planning services								He-W 541
20			FQHC/RHC								He-W 537 & He-W 513
21	Gender reassignment		Gender reassignment								He-W 543
22			Hearing services								He-W 531
23			Home health services								He-W 567
24											He-W 553
25			Home Visiting NH and Child/Family Health Care Support								He-W 549
26	Hospice		Hospice								He-W 544
27			Immunizations								He-W 531
28	Inpatient hospital								Inpatient hospital		He-W 543
29	Lab		Lab								He-W 577
30			Medical Supplies								He-W 571
31	Nurse-Midwife		Nurse-Midwife								He-W 534
32	Nursing Facility										He-E 802
33			Vision Services								He-W 565
34			Outpatient hospital, including urgent care								He-W 543
35			Personal Care Attendant								He-W 552
36						Pharmacy					He-W 570
37			Physician administered drugs								He-W 531
38			Prosthetic and Orthotic devices								He-W 531
39			Physical, occupational, and speech therapy								He-W 568
40	Physician		Physician								
41	Surgeon		Preventive								
42	Anesthesia		Primary Care								
43			Specialty								He-W 531
44			Podiatry								He-W 532
45			Private duty nursing								He-W 540
46			Radiology/Imaging								He-W 569
47			Tobacco cessation for pregnant women			Tobacco cessation for pregnant women					See State Plan
48											He-W 574
49			Transportation, non-emergency medical								He-W 574
50			Waivers, various 1915(c) HCBC								
51			CFR								He-E 800
52			ABD								He-M 517
53			In-Home Supports								He-M 524
54			DD								He-M 503

Mental Health (MH) Benefits												
55												
56	APRN (psychiatric specialty)			APRN (psychiatric specialty)						APRN (psychiatric specialty)		He-W 534
57				Community mental health center services:						Community mental health center services		
				Treatment provided by a psychiatrist, psychiatric APRN, psychologist, or other licensed mental health therapy providers in a community mental health center						Treatment provided by a psychiatrist, psychiatric APRN, psychologist, or other licensed mental health therapy providers in a community mental health center		
59												
60				Medication visits						Medication visits		
61				Diagnostic evaluations						Diagnostic evaluations		
62				Partial hospitalization						Partial hospitalization		
63				Emergency psychiatric services						Emergency psychiatric services		
64				Crisis intervention						Crisis intervention		
65				Individualized Resiliency and Recovery Oriented Services (IROS)						Individualized Resiliency and Recovery Oriented Services (IROS)		
66				Case management services						Case management services		He-M 426
67				Mobile crisis services (ACT teams)						Mobile crisis services (ACT teams)		
68												
69	EPSDT			EPSDT						EPSDT		He-W 546
70										Emergency Medical Transportation Services		He-W 572
71				FQHC/RHC								He-W 537
72	Gender Reassignment Surgery			Gender Reassignment Surgery								He-W 531
73				Home Health								He-W 553
74	Inpatient mental health									Inpatient mental health		
75	Inpatient hospital									Inpatient hospital		He-W 543
76	Lab			Lab								He-W 577
77				Psychotherapy								He-W 535
78	Nursing Facility											He-E 802
79				Outpatient hospital, including urgent care								He-W 543
80				Personal Care Attendant								He-W 552
81							Pharmacy					He-W 570
82				Physical, occupational, and speech therapy								He-W 568
83				Physician administered drugs								He-W 531
84	Physician (e.g., anorexia and nutritional counseling)			Physician (e.g., anorexia and nutritional counseling)						Physician		He-W 531
85				Transportation, non-emergency medical								He-W 573
86												He-W 574

Substance Use Disorder (SUD) Services										
	A		B			C			D	E
	Inpatient		Outpatient			Prescription Drug			Emergency Care	NH Administrative Rule Reference
87										
1										
88			APRN							He-W 534 & He-W 513
89			SUD Services provided in a Community Mental Health Center							He-W 513
90										
91	EPSDT		EPSDT						EPSDT	He-W 546
92									Emergency Medical Transportation	He-W 572
93			FQHC/RHC							He-W 537 & He-W 513
94			Home Health							He-W 553
95	Inpatient mental health								Inpatient mental health	He-M 600
96	Inpatient hospital								Inpatient hospital	He-W 543
97	Lab		Lab							He-W 577
98	Licensed MLADC's and LADC's, and psychotherapists		Licensed MLADC's and LADC's, and psychotherapists							He-W 513
99										He-W 568
100	Nursing facility									He-E 802
101			Outpatient hospital including urgent care							He-W 543
102						Pharmacy				He-W 570
103			Physician administered drugs							He-W 531
104	Physician		Physician (e.g., medication assisted treatment oversight)						Physician	He-W 531
105										He-W 513
106	Inpatient acute or psychiatric hospital services		Screening, brief intervention and referral to treatment (SBIRT)						SBIRT	
107	Medically monitored residential withdrawal management		Substance use screenings						Substance-use screenings	
108	Residential treatment services, including specialty services for pregnant and postpartum women		Individual, group, and family therapy						Inpatient acute or psychiatric hospital services	
109			Intensive outpatient SUD services						Crisis intervention	
110			Partial hospitalization						Peer recovery support	
111			Medically monitored outpatient withdrawal management							
112			Crisis intervention							
113			Peer recovery support							
114			Non-peer recovery support							
115			Continuous recovery monitoring							
116			Outpatient treatment services							
117			Medication assisted treatment							
118			Evaluations							
119										
120			Transportation, non-emergency medical							He-W 573
121										He-W 574

## **Appendix D: NH DHHS Compliance Monitoring Plan**

### **NH Department of Health and Human Services Mental Health (MH) and Substance Use Disorder (SUD) Parity Compliance and Monitoring Plan Final: October 2, 2017**

#### Background:

In March of 2016 the Centers for Medicare and Medicaid Services (CMS) finalized a rule to strengthen access to mental health (MH) and substance use disorder services (SUD) for people with Medicaid, Children's Health Insurance Program (CHIP), or Alternative Benefit Plan (ABP) coverage, similar to the requirements that were already in place for private health insurance plans.

In summary, the rule requires Medicaid Managed Care Plans, Children's Health Insurance Programs and Alternative Benefit Plans to ensure that they are not placing limits on access to MH or SUD services that are not similarly applied to medical/surgical services.

#### NH DHHS Mental Health (MH) and Substance Use Disorder (SUD) Parity Compliance Monitoring Plan:

The NH Department of Health and Human Services (DHHS) will leverage the existing Managed Care Management (MCM) contract compliance monitoring program to monitor for potential parity issues. Monitoring will focus on Mental Health (MH), Substance Use Disorder (SUD), and Medical/Surgical (M/S) benefits comparing Managed Care Organization (MCO) activities in the four benefit classifications (i.e. inpatient, outpatient, pharmacy, and emergency care) for potential parity issues.

To supplement the existing compliance programs, DHHS will conduct annual document reviews, seek stakeholder input, review administrative appeals filed with DHHS and potentially conduct targeted external quality review activities. Finally, DHHS will present key findings and relevant data from the compliance monitoring program to various stakeholders of the NH Medicaid program.

#### Existing MCM Compliance Monitoring Program

NH DHHS currently has a robust system for compliance monitoring of the MCO's performance. The system includes over 400 quality measures reported by the MCOs to monitor various domains of quality and performance. Systems are used for developing reliable specifications for each quality measure (which can include identifying existing evidence based measures) as well as validating data submitted by the MCOs. Validated MCO data is then reviewed for red flag issues that are utilized for program management.

Foundational to the program is the establishment of roles and responsibilities for each stage of the process. The DHHS Office of Quality Assurance and Improvement (OQAI) leads the development of performance measures, data validation, and communication of red flag issues. Program managers at DHHS are the recipient of red flag issues and use the information for various processes (e.g. corrective action plans, policy development). The current process can be maintained because the DHHS Parity Project Core Team contains representation from OQAI and Program Managers from the Office of Medicaid Services as well as the Division for Behavioral Health.

#### MCO Reporting

Existing MCO reporting for service utilization, member grievances, member appeals, and service authorizations will be utilized and expanded to monitor for potential parity issues at the classification level. DHHS will also continue to require MCOs to conduct annual recertification to demonstrate

parity when substantive changes have occurred in the MCO's Qualitative Treatment Limits (QTL) and Non-Qualitative Treatment Limits (NQTL). In addition, DHHS will require Semi-Annual reporting on parity compliance from each of the MCOs.

#### Analysis of Service Authorization Requests

DHHS will, in collaboration with the health plans, conduct analyses of requests for selected mental health/substance use disorder services in each classification to ensure that the health plans' policies and procedures are being consistently and appropriately applied *in practice* to ensure ongoing compliance.

#### Semi-Annual Parity Compliance

On a semi-annual basis the MCOs will report at the classification and service level the following data:

- # Services provided;
- # Service authorizations;
- % Services provided requiring a service authorization;
- # Services authorizations denied;
- % Service authorizations denied;
- # Service authorizations with member appeal;
- % Service authorizations with member appeal; and
- # Member grievances filed.

At the classification level MCOs will be required to provide narrative explaining variances between the MH/SUD and M/S benefits and whether a parity issue may exist. This analysis must take into consideration the QTLs and NQTLs in each service within the classifications. Variances will be focused on rates of service authorizations, service authorization denials, appeals, and counts of member grievances.

#### Annual Recertification

Annually the MCOs will need to recertify compliance with Mental Health (MH) and Substance Use Disorder (SUD) Parity requirements. Recertification includes verifying changes in service limitations for all MH or SUD services. MCOs will complete the Behavioral Health Parity Analysis Tool and narrative for benefit classifications with any changes in limits for MH, SUD, and Medical/Surgical (M/S) services.

#### MCO Specification Development and Data Validation

After the demonstration of parity compliance, DHHS will begin work on developing the specifications for the tools used for ongoing monitoring. Specifications will be reviewed with the MCOs for further clarification and revisions.

Once specifications are finalized the MCOs will begin reporting on the established schedule. Reports will be received by the NH DHHS Office of Quality Assurance and Improvement (OQAI) and validated to assure the accuracy and completeness of the data.

#### Red Flags and Confirmation of Parity Issues

Red flag issues will be identified to program managers by OQAI. Red flags will primarily include the variances between the MH/SUD and M/S benefits identified in the MCO semi-annual reporting.

These variances as well as the MCO's narrative reporting will be used by program managers to confirm whether a parity issue exists.

In some instances further information may be needed from the MCO to confirm a parity issue. This can include administrative data for targeted services in a classification. Administrative data will be reviewed for trends that show a decrease greater than 10% in service utilization.

#### Corrective Action

If it is determined that any of the MCO's administrative, clinical, and utilization practices were not in compliance with relevant requirements of the Federal Mental Health Parity Law or guidance issued by state and federal entities during the calendar year, the MCO will include a list of the practices not in compliance and the steps the MCO will take to bring these practices into compliance. DHHS program managers will regularly monitor the MCOs compliance until the practices are determined to be in compliance with parity requirements.

#### MCO Document Review

On an annual basis DHHS will conduct targeted MCO document reviews. These reviews may include MCO policies, member handbooks, and provider manuals. Document reviews will be used to identify potential MH and SUD treatment limitations. The results of the review will be cross referenced with the MCO's Behavioral Health Parity Analysis Tool. The NH DHHS BH/SUD Parity Workgroup will address discrepancies with the MCOs.

#### State Administrative Appeals

Members who are unsatisfied with the results of an appeal filed with the MCOs have the opportunity to request an administrative appeal directly with DHHS. In addition to evaluating member grievances and appeals for parity, DHHS will periodically review administrative appeals for potential parity issues.

#### Stakeholder Input

DHHS has established a proactive system to monitor for potential parity issues. While the approach is comprehensive it would be incomplete without considering the direct experience of Medicaid beneficiaries, providers and other stakeholders. DHHS has established a dedicated e-mail address that stakeholders can use to report potential parity issues. Promotion of how to report a parity issue will be discussed by:

- DHHS during member and provider stakeholder forums;
- DHHS during presentations to the Medicaid Medical Care Advisory Committee; and
- MCOs during their quarterly Member Advisory Council meetings.

The dedicated email address for reporting potential parity issues or concerns is: [nhparity@dhhs.nh.gov](mailto:nhparity@dhhs.nh.gov)

#### External Review

DHHS will potentially utilize the DHHS Medicaid External Quality Review Organization (EQRO) for targeted reviews related to Behavioral Health Parity. The potential activities would include CMS

mandatory and optional external review activities for states with Medicaid Managed Care. First, DHHS may use the EQRO for the mandatory CMS activity of data validation. The activity may be used for MCO reporting to assure the data is validated by an external entity. Then, DHHS may also use the EQRO for targeted file reviews. File reviews may be used in the event that monitoring suggests that an MCO is not accurately applying their medical utilization policies for authorizing MH/SUD services.

#### Reporting Compliance Monitoring Results

On at least an annual basis, the Department will report to the Medicaid Medical Care Advisory Committee and publicly post any key findings and relevant data which can assist in communicating the state's overall pathway to achieving and maintaining Parity.