# 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:

# ***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:***

# ***Proactively ensuring compliance by insurers that issue, deliver, or renew any health benefit plan that provides coverage for treatment of mental health conditions;***

# ***Evaluating all consumer or provider complaints regarding mental health condition coverage for possible parity violations;***

# ***Performing parity compliance market conduct examinations of insurers that issue, deliver, or renew any health benefit plan that provides coverage for treatment of mental health conditions, 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;***

# ***Requesting that insurers that issue, deliver, or renew any health benefit plan that provides coverage for treatment of mental health conditions 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 health condition benefits as compared to how they design and apply nonquantitative treatment limitations, as written and in operation, for medical and surgical benefits; and***

# ***The Commissioner may adopt rules, under KRS 304.2-110, 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.***

# SECTION 3. A NEW SECTION OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

# ***Not later than March 1st, 2020, the commissioner shall issue a report and educational presentation to the Legislature, which shall:***

# ***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;***

# ***Cover the methodology the commissioner is using to check for compliance with KRS 304.17A-660 to 304.17A-669;***

# ***Identify market conduct examinations conducted or completed during the preceding 12-month period regarding compliance with parity in mental health condition benefits under state and federal laws and summarize the results of such market conduct examinations;***

# ***Detail any educational or corrective actions the commissioner has taken to ensure insurer compliance with MHPAEA and KRS 304.17A-660 to 304.17A-669; and***

# ***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 department of insurance.***