



Constellation
Quality Health

Healthy Blue

2024
Mental Health
Parity Assessment

Submitted: December 3, 2024

Prepared on behalf of the
South Carolina Department
of Health and Human Services

2024 Mental Health Parity Assessment

Table of Contents

Mental Health Parity Assessment 2

Methodology 2

 Mental Health Parity Non-Quantitative Treatment Limitations (NQTL) Assessment 2

 Mental Health Parity Quantitative Treatment Limitations (QTL) Assessment 4

Attachments 8

 Attachment 1: Initial Notice and Materials Requested for Desk Review 9

2024 Mental Health Parity Assessment

Mental Health Parity Assessment

The Mental Health Parity and Addiction Equity Act (Federal Parity Act) of 2008 requires health plans with mental health benefits cover them equally to medical/surgical benefits. Constellation conducts a Mental Health Parity assessment as part of each Managed Care Organizations' annual External Quality Review. Both Quantitative Treatment Limitations (QTLs), which are limits on the scope or duration of benefits such as day limits, co-pays, or visit limits, and Non-Quantitative Treatment Limitations (NQTLs), which are medical management standards, provider network admission standards, reimbursement rates, policies, and other limits on the scope or duration of benefits, are reviewed for compliance with Mental Health Parity requirements.

At the request of the South Carolina Department of Health and Human Services (SCDHHS), Constellation Quality Health (Constellation) conducted a Mental Health Parity Assessment of Healthy Blue. On October 22, 2024, Constellation sent notification to Healthy Blue that the Mental Health Parity Assessment was being initiated (see *Attachment 1*). This notification included a list of materials required for a desk review and an invitation to a teleconference to allow Healthy Blue to ask questions regarding the EQR process and the requested desk materials. Constellation understands Healthy Blue is in its first year of operation and does not yet have a full data set for reporting purposes. The objective of this review is to ensure the processes and standards are in place, and as practiced, result in the equal application of benefit limitations across all classifications: Inpatient, Outpatient, Emergency, and Pharmacy for both medical surgical (M/S) mental health (M/H), and substance use disorder (SUD).

The review consisted of two segments. The first was a desk review of materials and documents received from Healthy Blue and reviewed in Constellation's offices (see *Attachment 1*). The second segment was a virtual onsite review conducted on November 15, 2024. The onsite visit focused on areas not covered in the desk review or needing clarification.

Methodology

This assessment is conducted as a two-step process. Step one involves assessing the quantitative treatment limitations (QTLs), which are limits on the scope or duration of benefits that are represented numerically, such as day limits or visit limits. A parallel process assesses the non-quantitative treatment limitations (NQTLs) such as medical management standards, provider network admission standards and reimbursement rates, policies, and other limits on the scope or duration of benefits.

Mental Health Parity Non-Quantitative Treatment Limitations (NQTL) Assessment

NQTLs are assessed for both comparability and stringency. Comparability is the use of similar standards to review cases, and stringency is how strictly those standards are applied.

2024 Mental Health Parity Assessment

Comparability

Healthy Blue uses the MCG criteria set for medical/surgical, mental health, and substance use disorders when clinical review is required. Training in the use of the criteria is provided as part of new hire training, with updates, or in response to needs identified by Inter Rater Reliability (IRR) testing. Constellation observed training post IRR with subsequent re-testing and improved scores on behavioral health standards.

Healthy Blue has both physical and behavioral health medical directors, with similar spans of control over, and responsibility for, their respective departments. This oversight also includes collaboration on cases with a mixed diagnosis. Reviewers for M/S service requests are clinically licensed LPNs or RNs, while those reviewing MH/SUD are appropriately credentialed in behavioral health, social work, or health and human services.

The Quality Improvement Program Description describes access and availability, and coordination of care as initiatives for both M/S and MH/SUD and met goals for both. Decreasing scores on the performance measure for “getting needed care” were identified. Root cause analysis was performed, and provider training was conducted, which proved to be an effective intervention. Access standards were met across the spectrum of outpatient care. While Inpatient Psychiatric Hospital access was between 85–95%, Healthy Blue’s data differentiates between mental health admissions to a psychiatric bed in an acute care hospital and a bed in a free-standing psychiatric hospital, although they serve the same function. A Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey was conducted to assess other areas of member satisfaction. However, no corresponding survey of the BH member population was described. Upon discussion Healthy Blue Leadership agreed to conduct the Experience of Care and Health Outcomes Survey (ECHO) survey for the BH cohort.

Healthy Blue’s Parity Policy MCD-BH-11 supports the requirements of the Mental Health Parity Act across all departments.

Stringency

Constellation reviews the health plan’s denial and appeal rates as a measure of stringency. Healthy Blue has a significantly higher volume of inpatient BH/SUD denials per service request than M/S, as shown in the *Table 1: Inpatient Authorization Denials*. At this time, the data is incomplete, as appeals can have a significant lag. Constellation will look at next year’s data to analyze the overturn rate in order to assess how many denial cases could have been avoided if the correct information had been sought, provided, and reviewed or, if additional training in the application of clinical criteria is indicated for the BH/SUD inpatient review team.

2024 Mental Health Parity Assessment

Table 1: Inpatient Authorization Denials

Classification	Ratio Denials/Total Requests	Denial Percentage*
Behavioral Health	470/1085	43%
Substance Use Disorder	78/208	38%
Medical/Surgical	397/9283	4%

*Includes administrative and medical necessity denials

Table 2: Outpatient Authorization Denials

Classification	Ratio Denials/Total Requests	Denial Percentage*
Behavioral Health	110/2211	5%
Substance Use Disorder	4/55	7%
Medical/Surgical	3117/30176	10%

*Includes administrative and medical necessity denials

Healthy Blue reported no MH or SUD appeals. Going forward, also check complaints and grievances to see if concerns were presented through a different channel such as the customer service grievance/complaint system, and not elevated to appeal status because the issue was resolved during the customer service inquiry.

Mental Health Parity Quantitative Treatment Limitations (QTL) Assessment

Templates using Microsoft Excel were provided to Healthy Blue to complete the QTL mental health parity assessment. The templates allow the plan to enter information based on copay, session limits, day limits, etc. This information is then used to determine if financial requirements and QTLs that apply to mental health and substance use disorder benefits are no more restrictive than the predominant financial requirements and treatment limitations that apply to substantially all medical-surgical (medical/surgical) benefits. The data submitted demonstrated that copays were not applicable for any services within any classification. The member handbook notes that there are session and day limits that apply to some services, although the member will receive additional inpatient and outpatient services beyond any session or day limits as needed based on medical necessity. The results of the review are noted in the *Table 3: Mental Health Parity Quantitative Treatment Limitations Assessment Steps*.

2024 Mental Health Parity Assessment

Table 3: Mental Health Parity Quantitative Treatment Limitations Assessment Steps

Classification		Step 1: Substantially All Categories Identified (Y/N)	Step 2: Predominant Value for Financial or Treatment Limitations	Mental Health Parity Assessment
Inpatient		N/A	N/A	Accepted
Outpatient		N/A	N/A	Accepted
Pharmacy		N/A	N/A	Accepted
Emergency Services		N/A	N/A	Accepted

Note. As directed by SCDHHS, effective 7/1/2024, there will be no copays for service classification based on a memo sent to the MCOs on May 6, 2024. Out of Network services are not covered, and thus, were not examined. N/A indicates there are no copays, sessions, or day limits for Medical-Surgical Emergency Services, Inpatient, or Outpatient services.

Figure 1: Mental Health Parity Findings

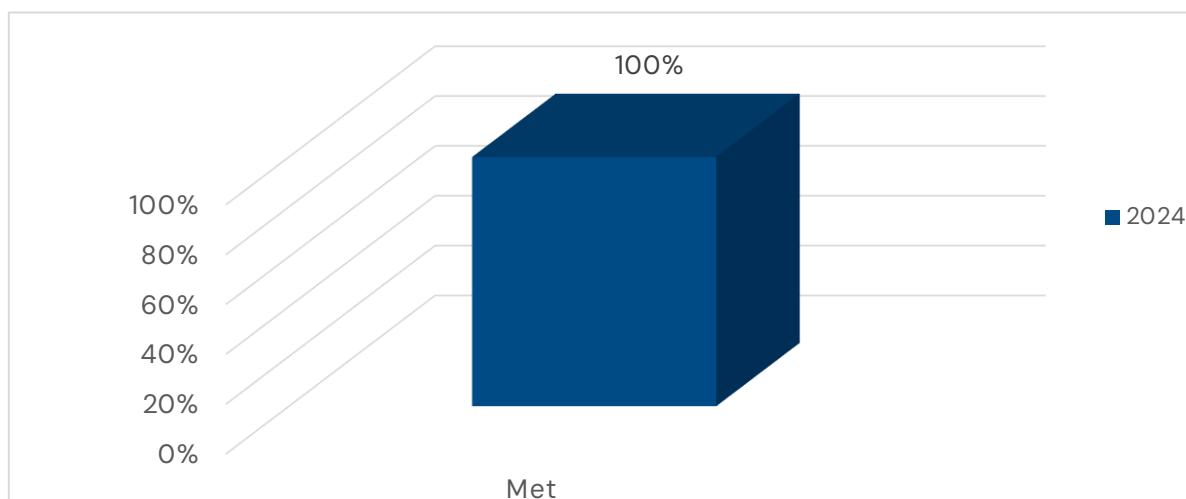


Table 4: Mental Health Parity Strengths

Strengths	Quality	Timeliness	Access to Care
Out of Network claims for MH and SUD are separated, simplifying data analysis.			✓
MH/SUD Provider Network meets adequacy standards. There are fewer out of network claims for MH and SUD services than for M/S.			✓
QTL were similar for medical-surgical and mental health/substance use disorder services.			✓

2024 Mental Health Parity Assessment

Table 5: Mental Health Parity Weakness

Weakness	Recommendation or Quality Improvement Plans	Quality	Timeliness	Access to Care
Healthy Blue administers a CAHPS survey annually, but no corresponding survey for MH members.	<i>Recommendation: Conduct a survey of member satisfaction with Mental Health Services (i.e., ECHO).</i>	✓	✓	✓
There was no appeals data present for denials, which are a significantly higher proportion of service requests than for MS requests.	<i>Recommendation: Continue to track MH and SUD separately in order to pinpoint opportunities more readily. Ensure any inquiries about clinical denials made to member services, and resolved on the call (if any) are categorized appropriately.</i>	✓	✓	✓

2024 Mental Health Parity Assessment

VII. MENTAL HEALTH PARITY

Standard	Score					Comments
	Met	Partially Met	Not Met	Not Applicable	Not Evaluated	
VII. MENTAL HEALTH PARITY						
1. The MCO is compliant with the Mental Health Parity requirements for the Non-Quantitative Treatment Limitations.	X					<p>Healthy Blue has the processes, staff, and training in place to support the Provisions required for Mental Health Parity.</p> <p>Healthy Blue administers a CAHPS survey annually, but no corresponding survey for MH members. There was no appeals data present for denials, which are a significantly higher proportion of service requests than for MS requests.</p> <p><i>Recommendation: Conduct a survey of member satisfaction with Mental Health Services (i.e., ECHO).</i></p> <p>There was no appeals data present for denials, which are a significantly higher proportion of service requests than for MS requests.</p> <p><i>Recommendation: Continue to track MH and SUD separately in order to pinpoint opportunities more readily. Ensure any inquiries about clinical denials made to member services, and resolved on the call (if any) are categorized appropriately.</i></p>
2. The MCO is compliant with the Mental Health Parity requirements for the Quantitative Treatment Limitations.	X					<p>Copays do not apply medical-surgical or mental health member benefits. QTLs regarding day or session limits are extended for members based on medical necessity.</p>

2024 Mental Health Parity Assessment

Attachments

- Attachment 1: Initial Notice, Materials Requested for Desk Review

2024 Mental Health Parity Assessment

Attachment 1: Initial Notice and Materials Requested for Desk Review



October 22, 2024

Mr. Tim Vaughn
President and COO
Healthy Blue
4101 Percival Road
Columbia, SC 29229

Dear Mr. Vaughn:

At the request of the South Carolina Department of Health and Human Services this letter serves as notification that the 2024 Mental Health Parity Assessment of Healthy Blue is being initiated. The Mental Health Parity and Addiction Equity Act (Federal Parity Act) of 2008 mandates that health plans provide equal coverage for behavioral health/substance use disorder and medical/surgical benefits.

This review will consist of a desk review, and a teleconference scheduled for November 15, 2024. To facilitate the desk review, please provide the items listed on the enclosed desk materials list no later than November 5, 2024. These materials should be uploaded to our secure file transfer site. This site can be found at: <https://eqro.thecarolinascenter.org>

Additionally, we would like to offer an opportunity for a conference call with your staff to describe the review process and address any questions prior to the upload of desk materials. Please contact me directly at sowens@constellationqh.org if you would like to schedule this teleconference.

Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in cursive script that reads "Sandi Owens".

Sandi Owens, LPN
Project Manager, External Quality Review

cc: SCDHHS

Healthy Blue Mental Health Parity Assessment

External Quality Review 2024

MATERIALS REQUESTED FOR DESK REVIEW

Copies of the following documents are needed to complete the Mental Healthy Parity Assessment.

a. Program Descriptions and Evaluations:

Program Descriptions:

- i. Utilization Management
- ii. Mental Health/Substance Use Disorder (MH/SUD) –if available
- iii. Quality
- iv. Provider Network

Program Evaluations:

- i. Utilization Management
- ii. Mental Health/Substance Use Disorder (MH/SUD) –if available
- iii. Quality
- iv. Provider Network

b. Reports:

Denial Reports:

- i. M/S Denial – denial rates, administrative and clinical (IP, OP) expressed per 1000.
- ii. MH/BH Denials– denial rates, administrative and clinical (IP, OP), expressed per 1000MH
- iii. SUD Denials– denial rates, administrative and clinical (IP, OP), expressed per 1000MH

Appeals:

- i. M/S Appeals – overturn rates (IP, OP, expressed per 1000)
- ii. SUD Appeals – overturn rates (IP, OP, expressed per 1000)
- iii. BH Appeals overturn rates (IP, OP, expressed per 1000)

c. Authorization Reports

Out of Network Utilization

- i. M/S
- ii. MH
- iii. SUD

Network Access Reports

- i. M/S
- ii. MH
- iii. SUD

d. Completed Parity Tools

- i. Benefit Map (Appendix B)
- ii. NQTL List (Appendix C)

- iii. NQTL Comparison Chart (Appendix D)
- iv. QTL List (Appendix E)
- v. QTL Tool (Excel Spreadsheets)

These materials:

- should be organized and uploaded to the secure Constellation Quality Health's EQR File Transfer site at:
<https://eqro.thecarolinascenter.org>
- upload these items in folder 38. Mental Health Parity