



Office of
Mental Health

New York State Parity Analysis Reporting

Part I results and next steps

June 19, 2019

Agenda for Today's Discussion

- Part 1- Results
- NYS Parity Compliance Report to CMS
- Next Steps regarding Part 1
- Part 2- new NQTL analysis reporting
- NQTL Analysis requirements revisited

Part 1 Analysis Reporting Results

- Some responses are incomplete and require clarification and/or further MCO response.
- Some responses indicate potentially noncompliant policies or procedures which require further discussion and examination

NYS Parity Compliance Report to CMS

- NYS noted in its report that a more comprehensive review of the NQTL analyses received was necessary
- CMS' review specifically requested that the results of NYS review be provided including the completed reporting spreadsheets for each plan and NQTL

Next Steps Per Part 1

- Milliman will be contacting each plan regarding the responses provided and defining needed modifications
- The discussion should assist in enabling responses to the NQTLs identified as part of Part 2

Part 2 NQTL Analysis Reporting

- Coding Edits
- Out-of- Network Coverage Standards
- Geographic Restrictions
- Reimbursements
- Provider Type Exclusions

NQTL Analysis Requirements Revisited

- Federal Guidance defines the methodology required to demonstrate NQTL parity Compliance
- Identify the factors that trigger application of the NQTL for MH/SUD and Medical
- Identify and describe evidentiary standards that define the factors and any other evidence relied upon in designing the NQTL
- Provide comparative analyses to determine as written comparability and equivalent stringency
- Provide comparative analyses to determine in operation comparability and equivalent stringency
- Summary statement explaining how analyses performed have led to an overall determination of compliance for the NQTL

UNBUNDLING THE NQTL TEST

- As written and in operation
- Processes, strategies, evidentiary standards and factors
- Comparable to and applied no more stringently
- Compared to medical surgical

The Purpose for the “in operation” Component of the NQTL Test

- The phrase, “applied no more stringently” was included to ensure that any processes, strategies, evidentiary standards, or other factors that are comparable on their face are applied in the same manner to medical/surgical benefits and to mental health or substance use disorder benefits. Thus, for example, assume a claims administrator has discretion to approve benefits for treatment based on medical necessity. If that discretion is routinely used to approve medical/surgical benefits while denying mental health or substance use disorder benefits and recognized clinically appropriate standards of care do not permit such a difference, the processes used in applying the medical necessity standard are considered to be applied more stringently to mental health or substance use disorder benefits. The use of discretion in this manner violates the parity requirements for nonquantitative treatment limitations.



The Disparate Results “Doctrine”

- Different types of illnesses or injuries may require different review, as well as different care. The acute versus chronic nature of a condition, the complexity of it or the treatment involved, and other factors may affect the review. Although the processes, strategies, evidentiary standards, and other factors used in applying these limitations must generally be applied in a comparable manner to all benefits, the mere fact of disparate results ;e.g., denial rates, does not mean that the treatment limitations do not comply with parity.

The Proportionality Issue

- A plan applies concurrent review to inpatient care where there are high levels of variation in length of stay. The application of this standard affected 60% of MH/SUD, but only 30% of medical/surgical conditions. This is parity compliant. The evidentiary standard used by the plan is applied no more stringently for MH/SUD benefits, even though it results in an overall difference in the application of concurrent review for MH/SUD conditions than for medical/surgical conditions.
- A plan requires prior authorization for all outpatient MH/SUD benefits but only for three outpatient medical/surgical benefits. It is unlikely that the processes, strategies, evidentiary standards, and other factors considered by the plan in determining that those three (and only those three) outpatient medical/surgical benefits require prior authorization would also result in ALL outpatient MH/SUD benefits needing prior authorization.
- The in- operation analysis, however, must also look at the administrative requirements for the NQTL, whether there are differences in review processes, clinical documentation requirements, etc.

NQTL Required Analysis

- Considerations regarding the identified factors : identical or comparable and if comparable explain.
- Considerations regarding evidentiary standards : quantitative and qualitative considerations.
- Considerations regarding comparative analysis “as written” and explanation of discretionary factors utilized, if any.
- Considerations regarding comparative analysis “in operation” with explanation of discretionary factors in the application of the NQTL.

The Part 2 NQTLs- Discussion

- Analysis considerations and expectations for each:
- Coding Edits
- Out-of- Network Coverage Standards
- Geographic Restrictions
- Reimbursements
- Provider Type Exclusions

Clarifying Questions?

Please email:

Steve Melek at Milliman: steve.melek@milliman.com, or

OMH at bho@omh.ny.gov with additional questions

Thank you