## Alaska State Senate Senator Forrest Dunbar

**Session:** 

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## **SECTIONAL ANALYSIS**

SB 45: MEDICAID MENTAL HEALTH PARITY

<u>Section 1:</u> The state must provide equal coverage and access to treatment for behavioral health issues as for other medical conditions.

This is a new subsection (i) to the state statute that governs services provided to Medicaid recipients (AS 47.7.030). The new subsection says the department of health must follow federal behavioral health parity statutes, which are listed in the bill.

<u>Section 2:</u> The commissioner of health will comply with relevant parts of the federal behavioral health law, and investigating complaints about behavioral health coverage and checking on possible unequal coverage including:

- 1. Reviewing state Medicaid regulations to ensure they don't cause unequal coverage of behavioral healthcare. Examples of potential regulations are listed.
- 2. Comparing how Medicaid coverage works for behavioral health coverage versus physical health coverage.

This is a new section to State Medicaid statute (AS 47.07). The new section is 47.07.033 Parity in mental health and substance use disorder benefits.

<u>Section 3:</u> Creates a new reporting requirement for behavioral health and mental health parity. It instructs the Department to send a report by March 1 each year to the legislature. The report will:

- 1. Describe their process for what "medical necessity" means for both physical and behavioral health coverage.
- 2. List the rules limiting behavioral healthcare and physical healthcare, numerical or non-numerical.
- 3. Decide whether the criteria, numerical and non-numerical, for behavioral health are comparable to physical health benefits, and if they are applied equally. This includes:
  - a. Decisions behind treatment limitations, including limitations that were rejected.
  - b. Evidence used to choose treatment limitations.
  - c. Comparisons between physical and behavioral health care showing that in practice the treatment limitations are evenly applied.
  - d. Share findings that indicate whether the state Medicaid system is complaint with federal parity laws.

This is a new subsection (d) to the section of state statute on reports that the Department of Health must periodically give to the legislature (AS 47.07.076)

<u>Section 4:</u> requires the Commissioner of Health to submit a one-time report to the legislature by March 1, 2026. The report must:

- 1. Explain the methodology used to evaluate if Alaska's Medicaid program complies with federal behavioral health parity law.
- 2. Summarize market review conducted for parity compliance.
- 3. Describe any steps taken to fix issues or provide education to improve compliance.
- 4. Be written in non-technical, plain language.
- 5. Be made publicly available online.

This is a new section in the uncodified law.

<u>Section 5:</u> requires the Department of Health to submit any necessary amendments to the federal government for approval to update Alaska's Medicaid program to comply with federal behavioral health parity requirements. This is a new section in the uncodified law.

Section 6: This section specifies that Sections 1 through 4 will only take effect if the federal Department of Health and Human Services approves the state's Medicaid plan amendments by December 31, 2025. The Commissioner of Health must notify the revisor of statutes within 30 days of receiving federal approval.

<u>Section 7:</u> If the federal government approves the Medicaid plan amendments, Sections 1 through 4 will take effect the day after the federal Department of Health and Human Services grants approval.