



June 18, 2020

Via email to JMatthews@naic.org

Katie Dzurec, Chair
Jane Beyer, Vice Chair
MHPAEA (B) Working Group Members
National Association of Insurance Commissioners
444 North Capitol St NW,
Washington, DC 20001

Re: QTL Template and Instructions

Dear Madam Chair,

On behalf of URAC, I respectfully offer our comments in response to the Draft QTL Template and accompanying instructions.

URAC is an independent, nationally recognized accrediting entity with thirty years of experience accrediting managed care and provider organizations. Further highlighting our independence, we do not sell consulting services of any type. URAC accreditation is utilized by CMS and states to augment their oversight of health plan operations such as network adequacy, utilization management, and pharmacy benefit management.

URAC's Mental Health and Substance Use Disorder Parity Program (Parity Program) gives us unique insight into the operations of insurers seeking to effectively comply with federal and state parity laws. We are encouraged by the Draft QTL template that you have put forth and think it will help alleviate the reporting burden for plans and ensure consistency in any state-initiated audit process such as market conduct exams.

As you consider how to best grapple with ensuring insurers operating in all states comply with the Mental Health Parity and Addiction Equity Act (MHPAEA), we encourage you to consider leveraging the efforts of accreditors to augment and enhance state oversight of managed care. We are happy to provide a demonstration of our program for NAIC staff or the broader working group.

As detailed in our comments below, we look forward to working with you on this important issue. Please do not hesitate to contact Brittany McCullough, Health Policy and Government Programs Manager at bmccullough@urac.org or (202) 326 – 3965 should you have any questions or want to discuss anything in detail.

Sincerely,

Shawn Griffin, M.D.
President and CEO

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- American Association of Preferred Provider Organizations
- American Health Quality Association
- American Hospital Association
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- American Medical Association
- American Nurses Association
- American Psychiatric Association
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Ensuring Compliance with Parity Laws

Congress, the U.S. Department of Labor (DoL), the U.S. Department of Health and Human Services (HHS), the National Association of Insurance Commissioners, and nearly every state in the country is keenly focused on increasing compliance with MHPAEA and the implementing regulations. URAC is supportive of these enforcement efforts as they are a vital component to increasing access to much needed behavioral health care. We believe that regulators must provide clear expectations and parameters for data reporting to ensure parity compliance is not an undue burden and barrier. Data reporting must be robust as to ensure compliance with the law but also reasonable enough so that the weight of the administrative burden to insurers does not become a barrier to better care for patients.

Given the complexity of the federal law and the myriad of federal and state regulations that proceeded its passage, there has been widespread confusion among patients, advocates, and health plans. This confusion has resulted in parity compliance being a barrier to better care for patients.

We believe that health plans must be held accountable to the provisions of MHPAEA and state requirements. We also believe the most effective way to evaluate compliance is for regulators to periodically conduct market conduct examinations. However, absent clear guidance regarding data structure in advance of the start of any plan year, states will struggle to hold plans accountable for past performance. Further, it will be difficult for any state to compare compliance across plans thus limiting a state's ability to understand the impact on the broader population.

In addition, we want to ensure that health plans have reasonable expectations regarding what specific reporting requirements they will be subject to in hopes of not only minimizing their administrative burden but also ensuring regulators are gathering meaningful data to guide their oversight and enforcement efforts. Given the role our Parity Program plays supporting the structure and compliance of health plans, URAC is happy to work with NAIC to support your efforts in any way that we can.

URAC's Recommended Approach

We know there is confusion amongst stakeholders regarding how to properly organize data to assess parity compliance and we are encouraged by NAIC's work to implement a standard QTL template for health plans and regulators to leverage to ensure uniformity in reporting.

The QTL template and accompanying instructions are easy to understand and logically organized around benefit classifications. We agree that it is critical to identify all covered services and appropriately classify them prior to starting any parity analysis. Additionally,

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the detail offered within the instructions is sufficient to understand how the information in the QTL template is organized.

While supportive of the template, particularly its ability to reinforce uniformity in parity analyses, we think there are some key items to consider to increase the utility of the template and ensure it is meeting its intended purpose. For starters, we recommend that the instructions or some other type of guidance defines key terminology used within the QTL template. While there may be cases of bad actors, some health plans found to be non-compliant with parity requirements have merely failed to properly organize their data by inadvertently misclassifying benefits.

Additionally, while understanding the desire to have this template focus on QTLs and financial requirements and leverage other models to address NQTLs, we would encourage the working group to consider putting forth a template that combines all of these provisions in a comprehensive fashion. Having financial requirements, QTLs and NQTLs all being addressed with one tool will minimize the need for health plans to fill out multiple documents and allow all the information on one specific health plan to be captured in a single place. This will make it easier for regulators to have a complete picture of a health plan's compliance at a specific point in time.

We also encourage you to consider how to maximize adoption of this template given its voluntary nature. While sympathetic to individual state nuances, one common complaint we hear from health plans, particularly those operating across several states, is the burdensome nature of responding to market conduct exams given the varying types of information each state may request as part of their analysis. Having a widely accepted template will increase the predictability they desire in preparing for audits and better align internal resources to meet individual state demands.

As NAIC considers this draft QTL template, we would also encourage you to consider leveraging URAC's Parity Program in a similar manner to the use of accreditation programs in other areas. In response to the disparate approaches among health plans and behavioral health benefit administrators, URAC developed a framework for all stakeholders to organize data to comply with federal and state parity requirements. This framework, including our enterprise software tool, ParityManager™, allows health plans to organize and analyze their own compliance and even affords users the ability to produce reports as evidence of their compliance efforts.

ParityManager™ includes all of the components of the draft QTL template such as benefits classification, the 'substantially all' test and an "as written" versus "in operation" analysis for NQTLs. As part of this, health plans are prompted to identify all of the factors, sources and evidentiary standards used in their development and deployment of NQTLs.

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The functionality of URAC's ParityManager™ tool allows for individuals within an insurer and their contracted vendors to upload information into a secure, web-based platform. Given that it is hosted on the internet and updates in real time, users are able to share documents across departments to help facilitate seamless communication. Based on our experience in talking with insurers, having a central location to maintain documentation associated with one's parity analysis is a critical component for success. ParityManager™ is also structured in a manner in which insurers are prompted to identify all required information to conduct a comprehensive parity analysis as it is mapped to federal parity regulations and accompanying guidance from the tri-agencies to allow for a true apples to apples comparison. Users also have the ability to maintain previous plan year information so they are quickly able to respond to potential state inquiries about past years' compliance.

As you continue to work on efforts to hold health insurers accountable for their efforts to comply with parity requirements, please do not hesitate to call on URAC as a resource. We are greatly encouraged by the efforts of the working group to increase uniformity and minimize administrative burden with this draft QTL template and look forward to its finalization.

We would welcome an opportunity to demonstrate our ParityManager™ tool that is currently being used by commercial and Medicaid insurers for NAIC staff or the broader working group. We also welcome the opportunity to share our knowledge and expertise as it relates to parity compliance and oversight strategies.

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