**South Carolina General Assembly**

123rd Session, 20019-2020

**AXX, RXX, SXX**

**STATUS INFORMATION**

General Bill

Sponsors:

Document Path:

Companion/Similar bill(s):

Introduced in the Senate on \_\_\_\_\_\_\_\_\_\_\_\_\_

Introduced in the House on \_\_\_\_\_\_\_\_\_\_\_\_\_

Summary: Mental health and substance use disorder parity

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

**VERSIONS OF THIS BILL**

(AXX, RXX, SXX)

**AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-890 TO ESTABLISH IMPLEMENTATION REQUIREMENTS FOR THE COMMISSIONER.**

Be it enacted by the General Assembly of the State of South Carolina:

**Department of Insurance, report to General Assembly**

SECTION 1. Chapter 71, Title 38 of the 1976 Code is amended by adding:

“Section 38‑71‑890. (A) 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:

(1) Proactively ensuring compliance by health insurance issuers in the individual and group market.

(2) Evaluating all consumer or provider complaints regarding mental health and substance use disorder coverage for possible parity violations.

(3) Performing parity compliance market conduct examinations of health insurance issuers in the individual and group market, 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.

(4) Requesting that health insurance issuers 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 and substance use disorder benefits as compared to how they design and apply nonquantitative treatment limitations, as written and in operation, for medical and surgical benefits.

(5) The Commissioner may adopt rules, under 38-3-110, 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.

(B) Not later than March 1, 2020, the commissioner shall issue a report and educational presentation to the General Assembly, which shall:

(1) 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.

(2) Cover the methodology the commissioner is using to check for compliance with 38-71-290, 38-71-737, and 38-71-880.

(3) Identify market conduct examinations conducted or completed during the preceding 12-month period regarding compliance with parity in mental health and substance use disorder benefits under state and federal laws and summarize the results of such market conduct examinations.

(4) Detail any educational or corrective actions the commissioner has taken to ensure health insurance issuer compliance with MHPAEA and 38-71-290, 38-71-737, and 38-71-880.

(5) 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 Internet website of the department of insurance.”

(C) For the purposes of this section:

(1) "Health insurance issuer" or "issuer" means an entity that provides health insurance coverage in this State as defined in Section 38-71-840(16).

(2) “Mental health and substance use disorder benefits” means benefits for the treatment of any condition or disorder that involves a mental health condition or substance use disorder that falls under any of the diagnostic categories listed in the mental disorders section of the current edition of the International Classification of Disease or that is listed in the mental disorders section of the most recent version of the Diagnostic and Statistical Manual of Mental Disorders.

**Time effective**

SECTION 2. This act takes effect June 30, 2019, and applies to health insurance issuers on or after the effective date of this act.