



For the Week Ending February 22, 2008

How health plans administer mental health and substance abuse (MHSA) benefits took center stage last week as the Senate Health and Welfare Committee explored a bill (S.114) to require health plans to administer MHSA benefits the same as they do for physical health. The proposal would effectively prohibit health plans from “carving out” mental health benefits and contracting with another organization to administer those benefits.

Consumer advocates and mental health providers claim that these arrangements perpetuate a system that is discriminatory and that these practices result in access problems and barriers to needed care. They also claim that provider reimbursement is inadequate, and these contracts contribute to a “dysfunctional” administrative system.

Health plans Tuesday presented their response to these claims, reminding the committee that Vermont has a very robust regulatory system to ensure that there is access and that managed care organizations have adequate networks, appeals processes, etc. The health plans presented evidence that consumer and provider satisfaction rates were similar or better for mental health than those for physical health and that those satisfaction rates are rising.

Blue Cross and Blue Shield of Vermont’s partnership with Magellan Health Services drew the most criticism from proponents of the bill. BCBSVT told the committee it was eager to address any systemic problems if they can be identified, but noted the difficulty in discerning specific problems within the critics’ general complaints. BCBSVT emphasized its objective data did not suggest a wholesale change such as the bill requires.

The committee asked BISHCA to review their regulatory powers and recommend changes if necessary. The committee will revisit S.114 this Thursday afternoon.

Also last week, the Senate Health and Welfare Committee unanimously approved an amended bill (S.280) to prevent health benefit plans from placing caps on prosthetic benefits that are different than for other services.

Meanwhile, the House Health Care Committee last week continued to consider a long list of proposals to increase access to health benefits and improve the health care delivery system. The committee explored ways to improve information technology, investments in the delivery system for improvement, and allowing continuation of coverage for divorced spouses as a way to expand access.

Proponents of extended coverage for divorced spouses (S.62) testified that allowing a divorced spouse to continue coverage on the ex-spouse's benefit plan would prevent those people from losing coverage while not adding significant expense. Health plans believe this proposal will add costs to the system. The committee is also considering a proposal to allow young adults to remain on a parent's plan until age 24.

Also last week, the House Government Operations Committee surfaced a proposal (H.867) that would require health plans to reimburse athletic trainers for their services. Health plans have not yet been allowed an opportunity to comment on the impact of this proposal.

This week, the House Health Care Committee will consider a pilot project to establish "accountable care organizations" and cost containment recommendations included in the Health Care Reform Commission report. The Senate Health and Welfare Committee will work on a "healthy living bill" in addition to more testimony on mental health parity issues.

New Bills of Interest:

H.867 Introduced by the Committee on Government Operations

This bill proposes to require health insurance plans to cover services that are within the scope of practice of athletic trainers and would otherwise be covered if provided by another type of health care provider.

If you are interested in this week's Legislative Committee Meeting schedules, agendas, and a listing of other meetings and activities, please visit the Vermont Legislature's website at <http://www.leg.state.vt.us/schedule/schedule2.cfm> Committee meetings are normally updated daily, and are subject to change without notice. If you plan on attending, you may want to call ahead to verify the agenda.

For more information on legislative proposals, visit the Blue Cross and Blue Shield of Vermont website at www.bcbsvt.com or call Leigh Tofferi at (802) 223-6131 or Kathy Parry at (802) 371-3205. If you wish to discontinue receiving these updates or know of anyone else who would like to receive it, please call Kathy Parry or send an e-mail to parryk@bcbsvt.com