

## **MENTAL HEALTH PARITY COMPLIANCE REPORT: TEMPLATE AND INSTRUCTIONS**

The purpose of the Mental Health Parity Compliance Report is to compare limitations imposed on behavioral health services to limitations imposed on medical/surgical services. The report shall provide information as requested below. For purposes of this report, behavioral health services include both mental health services and substance use disorder services. Utilization management includes prior authorization, concurrent review, and retrospective review.

- A. Describe and explain any changes to utilization management protocols/guidelines/processes for behavioral health services (inpatient and outpatient) and for medical/surgical services (inpatient and outpatient) during the prior fiscal year.
- B. Describe and explain any changes in which inpatient and outpatient services are subject to utilization management for both behavioral health services and medical/surgical services during the prior fiscal year.
- C. Provide a full list of inpatient and outpatient services for both behavioral health services and medical/surgical services subject to prior authorization during the prior fiscal year.
- D. Complete Table 1 by providing the requested data separately for inpatient and outpatient services. Prior to populating the tables, please closely review the footnotes to understand the differences between medical necessity denials and administrative denials. The below tables can be used as a template for an Excel spreadsheet. For additional explanation of the formulas, please see Table 2, which includes a description of the calculations.

Table 1.

Inpatient	Calculation		Mental Health/Substance Use Disorder		Medical / Surgical	
	Count	Percent	Count	Percent	Count	Percent
<b>Authorization Requests</b>	<b>A = B + C</b>	<b>O = A / A</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<b>B</b>	<b>P = B / A</b>				
<i>Retrospective Reviews<sup>1</sup></i>	<b>C</b>	<b>Q = C / A</b>				
<b>Denials<sup>2</sup></b>	<b>D = E + H</b>	<b>R = D / A</b>				
Medical Necessity Denials <sup>3</sup>	<b>E = F + G</b>	<b>S = E / A</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<b>F</b>	<b>T = F / B</b>				
<i>Retrospective Reviews<sup>1</sup></i>	<b>G</b>	<b>U = G / C</b>				
Administrative Denials <sup>4</sup>	<b>H</b>	<b>V = H / A</b>				
<b>Appeals<sup>5</sup></b>	<b>I = J + K</b>	<b>W = I / E</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<b>J</b>	<b>X = J / F</b>				
<i>Retrospective Reviews<sup>1</sup></i>	<b>K</b>	<b>Y = K / G</b>				
<b>Appeal Overturns<sup>5</sup></b>	<b>L = M + N</b>	<b>Z = L / I</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<b>M</b>	<b>AA = M / J</b>				
<i>Retrospective Reviews<sup>1</sup></i>	<b>N</b>	<b>AB = N / K</b>				

**Table 1 (cont).**

Outpatient	Calculation		Mental Health/Substance Use Disorder		Medical / Surgical	
	Count	Percent	Count	Percent	Count	Percent
<b>Authorization Requests</b>	<b>A = B + C</b>	<b>O = A / A</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<i>B</i>	<i>P = B / A</i>				
<i>Retrospective Reviews</i> <sup>1</sup>	<i>C</i>	<i>Q = C / A</i>				
<b>Denials</b> <sup>2</sup>	<b>D = E + H</b>	<b>R = D / A</b>				
<b>Medical Necessity Denials</b> <sup>3</sup>	<b>E = F + G</b>	<b>S = E / A</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<i>F</i>	<i>T = F / B</i>				
<i>Retrospective Reviews</i> <sup>1</sup>	<i>G</i>	<i>U = G / C</i>				
<b>Administrative Denials</b> <sup>4</sup>	<b>H</b>	<b>V = H / A</b>				
<b>Appeals</b> <sup>5</sup>	<b>I = J + K</b>	<b>W = I / E</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<i>J</i>	<i>X = J / F</i>				
<i>Retrospective Reviews</i> <sup>1</sup>	<i>K</i>	<i>Y = K / G</i>				
<b>Appeal Overturns</b> <sup>5</sup>	<b>L = M + N</b>	<b>Z = L / I</b>				
<i>Prior Authorization and Concurrent Reviews</i>	<i>M</i>	<i>AA = M / J</i>				
<i>Retrospective Reviews</i> <sup>1</sup>	<i>N</i>	<i>AB = N / K</i>				

## Definitions and Notes

<sup>1</sup>Retrospective Review: A retrospective review is performed when a service has been provided, the claim has been submitted and no authorization had been given. The retrospective review includes but may not be limited to eligibility status, evaluation of MN, reimbursement levels, accuracy and adequacy of documentation or coding, or settling of payment.

<sup>2</sup>Denial: A refusal to authorize or pay any or all parts of a service requested.

<sup>3</sup>Medical Necessity (MN) Denials: A MN denial is a denial by a clinician that the individual does not meet the applicable MN criteria. Any denial that is not an administrative denial is considered a MN denial. Examples of MN denial reasons include but are not limited to the following:

- For inpatient mental health/substance use disorder conditions:
  - Member is not experiencing symptoms or functional impairment that creates an imminent risk of harm to self or others.
  - Acute inpatient services are not reasonably expected to improve the member's psychiatric condition.
  - Further acute inpatient services are not reasonably expected to improve the member's psychiatric condition.
- For any condition:
  - There is no treatment plan or goal(s) for treatment appropriate to the member's condition.
  - The clinical information furnished is not sufficient to determine if the Member's condition satisfies medical necessity/level of care criteria for the requested service.
  - Member no longer demonstrates symptoms or functional impairment that requires the current level of care.
  - Treatment plan goals have been met, and the member can be safely treated in a less restrictive setting.
  - There is no evidence of active treatment taking place.

<sup>4</sup>Administrative Denials: An administrative denial is a denial based on a reason other than failure to meet MN criteria and is generally does not involve a clinician. Examples of administrative denial reasons include, but are not limited to, the following:

- “Type of Bill” field is incomplete or invalid
- Not allowed under contract/non-covered provider
- Duplicate claim
- Invalid ICD-10 diagnosis code
- Invalid rendering national provider identifier/missing billing NPI
- Medicaid fee-for-service benefit
- Member has no active coverage at the date of service
- No prior authorization requested when required
- Untimely filing of claim

<sup>5</sup>Appeals and Appeal Overtuns only applies to MN denials

**Table 2. Parity Reporting Table with Description of Calculations**

Inpatient	Calculation		Description of Calculation	
	Count	Percent	Count	Percent
<b>Authorization Requests</b>	<b><math>A = B + C</math></b>	<b><math>O = A / A</math></b>	<b><math>A = \# \text{ of PA, CR, and RR Requests}</math></b>	<b><math>O = \# \text{ of PA, CR, and RR Requests} / \# \text{ of PA, CR, and RR Requests [100\%]}</math></b>
Prior Authorization and Concurrent Reviews	B	$P = B / A$	$B = \# \text{ of PA and CR Requests}$	$P = \# \text{ of PA and CR Requests} / \# \text{ of PA, CR, and RR Requests (\% of requests that were for PA/CR)}$
Retrospective Reviews	C	$Q = C / A$	$C = \# \text{ of RR Requests}$	$Q = \# \text{ of RR Requests} / \# \text{ of PA, CR, and RR Requests (\% of requests that were for RR)}$
<b>Denials</b>	<b><math>D = E + H</math></b>	<b><math>R = D / A</math></b>	<b><math>D = \# \text{ of MN and Admin Denials}</math></b>	<b><math>R = \# \text{ of MN and Admin Denials} / \# \text{ of PA, CR, and RR Requests}</math></b>
Medical Necessity Denials	$E = F + G$	$S = E / A$	$E = \# \text{ of PA, CR, and RR Denials for MN}$	$S = \# \text{ of PA, CR, and RR Denials for MN} / \# \text{ of PA, CR, and RR Requests (\% of requests that were denied for MN)}$
Prior Authorization and Concurrent Reviews	F	$T = F / B$	$F = \# \text{ of PA and CR Denials for MN}$	$T = \# \text{ of PA and CR Denials for MN} / \# \text{ of PA and CR Requests (\% of PA/CR requests that were denied for MN)}$
Retrospective Reviews	G	$U = G / C$	$G = \# \text{ of RR Denials for MN}$	$U = \# \text{ of RR Denials for MN} / \# \text{ of RR Requests (\% of RR requests that were denied for MN)}$
Administrative Denials	H	$V = H / A$	$H = \# \text{ of Admin Denials}$	$V = \# \text{ of Admin Denials} / \# \text{ of PA, CR, and RR Requests (\% of requests that were denied for administrative reasons)}$

**Table 2 (cont). Parity Reporting Table with Description of Calculations**

Inpatient	Calculation		Description of Calculation	
	Count	Percent	Count	Percent
<b>Appeals</b>	<b>I = J + K</b>	<b>W = I / E</b>	<b>I = # of Appeals from PA, CR, RR MN Denials</b>	<b>W = # of Appeals from PA, CR, and RR MN Denials / # of MN Denials (% of MN denials that were appealed)</b>
Prior Authorization and Concurrent Reviews	J	X = J / F	J = # of Appeals from PA and CR MN Denials	X = # of Appeals from PA and CR MN Denials / # of PA and CR Denials for MN (% of PA and CR MN denials that were appealed)
Retrospective Reviews	K	Y = K / G	K = # of Appeals from RR MN Denials	Y = # of Appeals from RR MN Denials / # of RR Denials for MN (% of RR MN denials that were appealed)
<b>Appeal Overturns</b>	<b>L = M + N</b>	<b>Z = L / I</b>	<b>L = # of PA, CR, and RR MN Denials that were Overturned on Appeal</b>	<b>Z = # of Overturned PA, CR, and RR MN Denials / # of Appeals from PA, CR, and RR MN Denials (% of appeals that resulted in an overturn of a denial)</b>
Prior Authorization and Concurrent Reviews	M	AA = M / J	M = # of PA and CR MN Denials that were Overturned on Appeal, including Fair Hearing	AA = # of Overturned PA and CR MN Denials / # of Appeals from PA and CR MN Denials (% of appeals from PA and CR MN denials that resulted in an overturn of the denial)
Retrospective Reviews	N	AB = N / K	N = # Denials that were Overturned on Appeal, including Fair Hearing	AB = # of Overturned RR MN Denials / # of Appeals from RR MN Denials (% of appeals from RR MN denials that resulted in an overturn)

**Table 2 (cont). Parity Reporting Table with Description of Calculations**

Outpatient	Calculation		Description of Calculation	
	Count	Percent	Count	Percent
<b>Authorization Requests</b>	<b>A = B + C</b>	<b>O = A / A</b>	<b>A = # of PA, CR, and RR Requests</b>	<b>O = # of PA, CR, and RR Requests / # of PA, CR, and RR Requests [100%]</b>
Prior Authorization and Concurrent Reviews	B	P = B / A	B = # of PA and CR Requests	P = # of PA and CR Requests/# of PA, CR, and RR Requests (% of requests that were for PA/CR)
Retrospective Reviews	C	Q = C / A	C = # of RR Requests	Q = # of RR Requests/# of PA, CR, and RR Requests (% of requests that were for RR)
<b>Denials</b>	<b>D = E + H</b>	<b>R = D / A</b>	<b>D = # of MN and Admin Denials</b>	<b>R = # of MN and Admin Denials / # of PA, CR, and RR Requests</b>
Medical Necessity Denials	E = F + G	S = E / A	E = # of PA, CR, and RR Denials for MN	S = # of PA, CR, and RR Denials for MN / # of PA, CR, and RR Requests (% of requests that were denied for MN)
Prior Authorization and Concurrent Reviews	F	T = F / B	F = # of PA and CR Denials for MN	T = # of PA and CR Denials for MN / # of PA and CR Requests (% of PA/CR requests that were denied for MN)
Retrospective Reviews	G	U = G / C	G = # of RR Denials for MN	U = # of RR Denials for MN / # of RR Requests (% of RR requests that were denied for MN)
Administrative Denials	H	V = H / A	H = # of Admin Denials	V = # of Admin Denials / # of PA, CR, and RR Requests (% of requests that were denied for administrative reasons)



**Table 2 (cont). Parity Reporting Table with Description of Calculations**

Outpatient	Calculation		Description of Calculation	
	Count	Percent	Count	Percent
<b>Appeals</b>	<b><math>I = J + K</math></b>	<b><math>W = I / E</math></b>	<b><math>I = \# \text{ of Appeals from PA, CR, RR MN Denials}</math></b>	<b><math>W = \# \text{ of Appeals from PA, CR, and RR MN Denials} / \# \text{ of MN Denials (\% of MN denials that were appealed)}</math></b>
Prior Authorization and Concurrent Reviews	J	$X = J / F$	$J = \# \text{ of Appeals from PA and CR MN Denials}$	$X = \# \text{ of Appeals from PA and CR MN Denials} / \# \text{ of PA and CR Denials for MN (\% of PA and CR MN denials that were appealed)}$
Retrospective Reviews	K	$Y = K / G$	$K = \# \text{ of Appeals from RR MN Denials}$	$Y = \# \text{ of Appeals from RR MN Denials} / \# \text{ of RR Denials for MN (\% of RR MN denials that were appealed)}$
<b>Appeal Overturns</b>	<b><math>L = M + N</math></b>	<b><math>Z = L / I</math></b>	<b><math>L = \# \text{ of PA, CR, and RR MN Denials that were Overturned on Appeal}</math></b>	<b><math>Z = \# \text{ of Overturned PA, CR, and RR MN Denials} / \# \text{ of Appeals from PA, CR, and RR MN Denials (\% of appeals that resulted in an overturn of a denial)}</math></b>
Prior Authorization and Concurrent Reviews	M	$AA = M / J$	$M = \# \text{ of PA and CR MN Denials that were Overturned on Appeal, including Fair Hearing}$	$AA = \# \text{ of Overturned PA and CR MN Denials} / \# \text{ of Appeals from PA and CR MN Denials (\% of appeals from PA and CR MN denials that resulted in an overturn of the denial)}$
Retrospective Reviews	N	$AB = N / K$	$N = \# \text{ Denials that were Overturned on Appeal, including Fair Hearing}$	$AB = \# \text{ of Overturned RR MN Denials} / \# \text{ of Appeals from RR MN Denials (\% of appeals from RR MN denials that resulted in an overturn)}$

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