

State Corporation Commission

2022 Fiscal Impact Statement

1. **Bill Number:** SB434

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Barker

3. **Committee:** Commerce and Labor

4. **Title:** Health insurance; coverage for mental health and substance use disorders; report.

5. **Summary:** Requires the State Corporation Commission's Bureau of Insurance to collect certain comparative analyses from health carriers related to mental health parity and to include such analyses in a report that (i) describes the methodology the Bureau used to verify compliance with the federal Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) and any federal regulations or guidance relating to MHPAEA; (ii) identifies and summarizes 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 law; and (iii) details any educational or corrective actions the Bureau has taken to ensure plan compliance with MHPAEA.

6. **Budget Amendment Necessary:** Yes, Item 489.

7. **Fiscal Impact Estimates:** Preliminary. See Item 8.

8. **Fiscal Implications:** In order to fulfill the requirements of Senate Bill 434, the Commission estimates the need to hire additional staff to perform these functions. The Bureau of Insurance estimates hiring an additional 14 employees (a manager, three principal examiners, four senior examiners and six examiners). The total estimated cost for this increase in staff is \$1.665M for FY 2023 and \$1.630M for FY 2024.

9. **Specific Agency or Political Subdivisions Affected:** State Corporation Commission
Bureau of Insurance

10. **Technical Amendment Necessary:** The State Corporation Commission Bureau of Insurance requested that the patron consider an amendment to Line 124 to require the first revised annual report to be due on November 1, 2023, and on November 1 each year thereafter to accomplish the requirements of the bill.

11. **Other Comments:** None

Date: 1/21/22/V. Tompkins