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Pritzker Administration Announces Over $2 million in Fines for Major Health Insurance Companies Violating Illinois Mental Health Parity Laws

CIGNA Healthcare of IL, UnitedHealthcare, CIGNA Health and Life, HCSC, and Celtic found to be in violation of Mental Health Parity and Addiction Equity Act

CHICAGO – The Illinois Department of Insurance (IDOI) announced today fines totaling over $2 million for five major health insurance companies found to be in violation of the Mental Health Parity and Addiction Equity Act (MHPAEA). The Act is a federal law mandating that health insurance plans must have equivalent levels of coverage for mental health and substance use disorder care as for medical or surgical care; Illinois law further expanded those requirements.

The unprecedented fines for the five major health insurance companies build on the administration's efforts to ensure parity for Illinoisans seeking treatment for mental health and substance use disorder.

"These fines are a reminder to health insurance companies that my administration is committed to providing the best standard of care for Illinoisans and will protect their right to equitable treatment from health insurance providers," **said Governor Pritzker**. "Seeking treatment for mental health or a substance use disorder is a brave step that should not be met by unnecessary roadblocks and hurdles. We will continue to lead by example and help move the country forward in achieving mental health and substance use disorder parity."

Market conduct examinations performed by IDOI from 2015-2017 show that CIGNA, UnitedHealthcare, HCSC (parent company of Blue Cross Blue Shield) and Celtic had violations that resulted in the following fines:

- CIGNA Healthcare of IL paid the highest fine of $582,000 for failing to use medical necessity guidelines required by statute and the American Society of Addiction Medicine (ASAM), and not allowing providers to request an exception to the company's step therapy requirement for prescriptions.
- UnitedHealthcare paid $550,000 for violations, including failing to use ASAM guidelines, requiring prior authorization from the company before a provider can prescribe the patient Buprenorphine to help fight substance use disorder, and requiring prior authorization for prescribing certain ADHD medications.

- CIGNA Health and Life paid $418,000 for violating ASAM guidelines and imposing step therapy for drugs used to treat depression.

- HCSC paid $325,000 for requiring prior authorization from the company before a provider could prescribe the patient Buprenorphine to help fight substance use disorder.

- Celtic paid $208,000 for failing to perform proper internal testing to confirm that all plans are in parity.

Illinois is a national leader for mental health parity and has received an ‘A' grade (100/100) on the Federal Parity Law compliance test. The assessment is based on the ‘Evaluating State Mental Health and Addiction Parity Statutes' jointly released by the Kennedy-Satcher Center for Mental Health Equity, The Kennedy Forum, The Carter Center, and Well Being Trust (WBT) Center.

“Market conduct exams are an important tool the Department uses to make sure the health insurance companies we regulate are not imposing barriers to care and coverage for mental health services,” **IDOI Director Robert Muriel said**. “Since the beginning of this year, private health insurance companies offering plans on the individual and small group markets have been required to limit opioid prescriptions for acute pain and cover alternative therapies for pain.” We appreciate the efforts of the House Mental Health Committee and the Senate Special Committee on Opioid Crisis Abatement on this important matter.

In 2018, IDOI successfully changed the essential health benefits of plans sold on the ACA Health Insurance Marketplace, requiring insurance companies to remove barriers for people seeking treatment for opioid use disorders. IDOI was the first state insurance department to administer targeted mental health market conduct exams for companies selling plans on the ACA Marketplace.

Targeted exams focus on a specific issue within the company’s operations, and comprehensive exams have a larger scope including complaints, claims practices, rating of policies, underwriting of policies for acceptability, and marketing for all areas of the company’s operations. All five companies found to be in violation of the law have agreed to take corrective action based on the exam findings, and the Department will conduct follow up exams to ensure the companies remain in compliance.

The Market Conduct Examination Reports can be found online here.

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