



Illinois Department of Insurance

JB PRITZKER
Governor

DANA POPISH SEVERINGHAUS
Director

FOR IMMEDIATE RELEASE

October 18, 2022

MEDIA CONTACT

Caron.Brookens@Illinois.gov

Pritzker Administration Announces a \$1.25 million fine for Celtic Insurance Company for Violation of the Mental Health Parity and Addiction Equity Act and the Network Adequacy and Transparency Act

CHICAGO – The Illinois Department of Insurance (IDOI) announced today a \$1.25 million fine for Celtic Insurance Company, a subsidiary of Centene Corporation, for violating the Mental Health Parity and Addiction Equity Act (MHPAEA) and the Network Adequacy and Transparency Act (NATA), as revealed in the Department’s comprehensive market conduct examination of the company.

MHPAEA is a federal law that requires health insurance plans to have equivalent levels of coverage for mental health and substance use disorder care as for medical or surgical care, and Illinois law further expands upon those requirements. NATA mandates that health insurance carriers maintain an adequate network of providers.

“The fine makes clear our commitment to ensuring that Illinoisans seeking treatment for mental health or substance use disorder receive equitable coverage from their health insurance plans,” **said Governor JB Pritzker**. “Healthcare is a right, not a privilege, and this administration will continue to hold health insurance companies accountable when they fall short of their obligations to consumers.”

“We know the importance of having health insurance coverage for mental health and substance use disorder treatment, particularly since the pandemic has impacted so many people,” **said IDOI Director Dana Popish Severinghaus**. “In Illinois, parity is the law and companies cannot create a barrier to treatment for patients in need. Our comprehensive market conduct exam revealed Celtic did just that, and we will continue to hold insurers accountable under the law to help improve equity and access to health insurance coverage.”

Springfield Office
320 W. Washington Street
Springfield, Illinois 62767
(217) 782-4515

Chicago Office
122 S. Michigan Ave., 19th Floor
Chicago, Illinois 60603
(312) 814-2420

Comprehensive market conduct examinations focus on a wide scope of issues that may include consumer complaints, claims practices, rating of policies, underwriting of policies for acceptability, and marketing for all areas of the company's operations.

IDOL's comprehensive market conduct exam, performed from 2018-2020 and posted on October 18, 2022, revealed that Celtic had the following violations involving parity.

The company:

- Created a barrier to treatment by imposing prior authorization for all substance use disorder claims.
- Failed to utilize American Society of Addiction Medicine (ASAM) medical necessity criteria for substance use disorder benefit determinations.
- Failed to sufficiently complete Non-Quantitative Treatment Limitation (NQTL) comparative analysis to prove adherence to Illinois and federal laws.
- Created consumer access barriers (prior authorization) to ADHD medications, anti-depressants, antipsychotics, flumazenil (treats drug overdose), Vivitrol (helps prevent relapse into drug or alcohol abuse), Lucemyra (alleviates opioid withdraw symptoms), buprenorphine/naloxone tablets, buprenorphine tablets for pregnancy, and Fetzima/Trintellix/Viibryd (antidepressants).
- Created a quantity limitation barrier to Anti-Anxiety, Antipsychotic, Risperidone TBP (schizophrenia treatment), Smoking Cessation Medications, Evzio (overdose treatment), Latuda (schizophrenia treatment), probuphine and sublocade (addiction treatment medications similar to buprenorphine), buprenorphine/naloxone/suboxone films, and HIV/AIDS medications.
- Placed certain commonly prescribed medications on non-preferred medication tiers or non-formulary, ADHD medication, antidepressant medications, and substance abuse medications- Antabuse, Zyban, and Suboxone films.
- Created a barrier to treatment for consumers by denying step therapy exception requests.

Celtic also violated NATA by failing to provide an up-to-date, accurate provider directory for consumers to search for health care providers within the carrier's network and failing to follow the proper time/distance standards as required by law. Celtic paid the fine and 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 Report can be found [here](#).