Optum

Provider Notification

New regulations for insurers strengthen California Parity Act

Optum Behavioral Health is updating its plans and processes to reflect recent California legislative mandates that strengthen the California Parity Act. The California Department of Managed Health Care (DMHC) requested these changes in Senate Bill 855. They were approved on Jan. 12, 2024, by the California Office of Administrative Law and are effective for Optum plans on April 1, 2024.

The mandates are meant to increase parity between medical benefit plans and behavioral benefit plans and to help ensure members have access to behavioral health care. There is no direct impact or action to be taken by providers to comply with these mandates. For your awareness, here is a summary of the mandates:

Network Gap Exception
This applies to members who have difficulty finding a network provider to render medically necessary mental health and substance use disorder services. If a network provider is not available within geographic and timely access standards, Optum will provide and arrange for the medically necessary services from an out-of-network provider. The member will only be responsible for any copay, coinsurance or deductible that apply as if the services were rendered by a network provider.

Basic Health Care Services
Coverage will be available for 3 additional services that may be medically necessary to prevent, diagnose and treat mental health and substance use disorder:

- Assertive Community Treatment
- Intensive Case Management
- Intensive Home-Based Treatment

Clinical Criteria/Utilization Review
DMHC has clarified several requirements insurers must follow for clinical and utilization reviews:

- When a member meets criteria for a level of care but either clinical services or treatment is not available, the insurer must authorize the next-higher level of care.
- Nonprofit professional association criteria is to be used when conducting medical necessity or utilization reviews, and when making coverage determinations. No other criteria is to be used unless the California Department of Managed Health Care (DMHC) has reviewed and approved otherwise.
- Utilization reviews will only be conducted at the prescribed or recommended frequency. They will not occur more frequently.

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U.S. Behavioral Health Plan, California doing business as OptumHealth Behavioral Solutions of California