

# Senate Health and Human Services Committee

*Sophie Walsh 271-3469*

**SB 646-FN**, relative to mental health standards of care.

**Hearing Date:** January 28, 2026

**Time Opened:** 11:20 a.m.

**Time Closed:** 11:59 a.m.

**Members of the Committee Present:** Senators Rochefort, Avard, Birdsell, Prentiss and Long

**Members of the Committee Absent:** None

**Bill Analysis:** This bill provides that parity in coverage for certain biologically-based mental illnesses shall be consistent with New Hampshire Medicaid scope of coverage and reimbursement rates.

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**Sponsors:**

Sen. Rochefort

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**Who supports the bill:** Sen. Rochefort, Jim Monahan (NH Community Behavioral Health Association), Chris Kozak (Community Partners), Vanessa Blais (NH Council on Developmental Disabilities), Holly Stevens (NAMI NH), Michele Merritt (New Futures), B Widger, Tricia Brannen, Karen Trudel, Jessica Wright, Gia Paone, Beth Nichols, Kristen Sheppard, Jeremy Sheppard, Valerie Danielson, Lisa Ayer, Nancy Husarik, Francis Hayes, Chase Eagleson, Sharon Racusin, Kelly Ehrhart, Douglas Weckstein, Barbara Callaway, Margaret Jernstedt, Joan Lang, Susan Shadford, Mary Burton, Janet Hurd, Nancy Miles, David Crowley, Robert Keene, and Karen Guggisberg.

**Who opposes the bill:** Sabrina Dunlap (Anthem Blue Cross Blue Shield), Paula Rogers (AHIP), Peter Bragdon (Harvard-Pilgrim), and Jillian Haffner.

**Who is neutral on the bill:** DJ Bettencourt and Michelle Heaton (NHID).

**Summary of testimony presented:**

Senator David Rochefort, Senate District 1

- Senator Rochefort explained that he was approached by one the community mental health centers (CMHCs) about this issue.
- While they are covered by commercial insurance, they are facing issues with billing. It has gotten to the point that some CMHCs do not bother billing for some services, as they know they will not be paid for them.

- Senator Rochefort emphasized that this is a complex issue.
- The intention of filing this legislation was to bring all parties to the table and work with stakeholders to find a solution.
- Senator Rochefort described the bill as a blunt instrument, as it provides parity of payment matching what commercial payers pay to Medicaid across the board. He said he thinks there is a better solution and emphasized that it is being worked out among stakeholders.
- Senator Rochefort asked the Committee to hold the bill while discussions on a more precise solution are underway.

DJ Bettencourt and Michelle Heaton, New Hampshire Insurance Department

- Commissioner Bettencourt explained that he has gotten a first-hand account of what CMHCs go through. They provide critical services and are legally treated very similar to emergency departments, as they must treat people regardless of their ability to pay.
- Commissioner Bettencourt said it is encouraging to hear that some CMHCs are having productive discussions with carriers.
- Ms. Heaton explained that while the Department understands the intention of this bill, there are many unintended consequences with the language as drafted.
- The bill is currently placed in the mental health statute, meaning it would apply to all mental health providers.
- Tying reimbursement for these services to Medicaid rates could lower rates, as Medicaid reimbursement is typically lower than what commercial carriers pay. This could cause parity issues in relation to federal requirements.
- On page 2 lines 12 and 16, replacing Medicare with Medicaid could raise issues, as Medicare has a set rate schedule and is used for benchmarking, while Medicaid rates vary among states.
- Commissioner Bettencourt emphasized the importance of keeping up the good work with discussions.

Jim Monahan, New Hampshire Community Behavioral Health Association

- Mr. Monahan noted that some progress has been made in the past year in dealing with this issue.
- He emphasized the importance of state involvement through both the Insurance Department and the legislature.
- Mr. Monahan thinks this bill is workable as drafted from the patient perspective.
- He emphasized that this is trying to set a standard of care for mental illness. From a state interest perspective, Mr. Monahan thinks the standard of care should be the same whether someone is paying out-of-pocket, with Medicaid, or with commercial insurance.

- This is primarily focused on CMHCs because these centers are the back bone of mental health care in New Hampshire.
- Mr. Monahan explained the issue this is trying to resolve is that some commercial carriers do not reimburse for medically necessary care. There is a category of services provided by CMHCs that care for people in a way that improves their condition and allows them to function better.
- He explained that the medical necessity of these services has been disputed by carriers, but emphasized that we know these services are medically necessary because they are deemed so by the providers recommending this care and they are covered by Medicaid.
- Mr. Monahan explained that there is a relatively small number of people not receiving this care. He emphasized that while this may not be a lot of money to a large insurance company, it can quickly add up for CMHCs.
- Mr. Monahan noted that many of the uncompensated care issues affecting CMHCs are driven by inadequate commercial insurance reimbursement.
- This bill will start tackling the issue of structural stigma.
- Mr. Monahan referenced the fiscal note and said he is not sure if the defrayal issue applies to this bill as it is written. He emphasized that this is not about something new being provided, but rather enforcing existing requirements.
- Senator Prentiss asked if there is a list of the services that Medicaid considers medically necessary and covers, but not considered so or covered by commercial plans.
- Mr. Monahan said Mr. Kozak could speak to that more specifically and explained that there is a set of services that fall under the category of case management and functional support services. Their definition of case management is different from the carriers.

Chris Kozak, Community Partners

- Mr. Kozak stated that he is speaking in support of this bill due to the positive impact it would have on the individuals that Community Partners serves.
- Mr. Kozak explained that he is well versed in this process and how medical necessity determinations are made through his professional experience.
- This bill attempts to level the playing field for anyone in the state with a serious mental illness.
- Mr. Kozak emphasized that there is a distinction between any mental illness and serious mental illness.
- People with Medicaid coverage who have serious mental illnesses have full access to functional support services and targeted case management. These services assist with therapeutic and psychiatric treatment to ensure that other factors are not interfering with an individual's ability to progress. These

services have historically been deemed as not medically necessary by carriers in New Hampshire.

- Mr. Kozak explained that medical necessity is generally thought of as health care services or supplies needed to diagnose or treat an injury, illness, or disease adhering to generally accepted standards of medical practice. These services must be clinically appropriate, and not for the convenience of the provider or patient.
- Mr. Kozak emphasized that these services are used to treat illnesses, adhere to generally accepted standards of medical practice, and are appropriate. Furthermore, they are evidence-based, critical to rehabilitation, and not for convenience.
- Similar community-based services are covered with medical conditions as part of rehabilitation, so the same should be true for those in rehabilitation and recovery for serious mental illness.

Sabrina Dunlap, Anthem Blue Cross Blue Shield

- Ms. Dunlap stated that she is speaking in opposition to the bill as drafted. She does not think it is necessary in light of the ongoing work between carriers and CMHCs to address these challenges.
- Stakeholder discussions this past fall has allowed them to narrow down to 3 relevant codes, and Anthem is now working to add those 3 codes into their contract for coverage.  
She emphasized that this is not an issue of medical necessity, as these services are simply not covered benefits. It is new for commercial insurance to cover functional support services and other services that have historically not been considered medical.
- Ms. Dunlap emphasized that similar issues have been discussed for years. The Insurance Department organized a group a couple years ago and found that oftentimes these services are covered, but under different codes between Medicaid and commercial insurance. These discussions also found that the gaps in service are quite narrow. Ms. Dunlap referenced a bulletin from the Insurance Department and a chart outlining relevant codes. She emphasized that sometimes the issue comes down to confusion with coding and billing.
- Ms. Dunlap explained that Anthem has made access to mental health care a priority over the past few years, and they are seeing reduced barriers and increased access through utilization.
- Ms. Dunlap emphasized that Anthem is happy to come to the table, but legislation is not necessary to bring them to the table.
- Senator Rochefort agreed that Ms. Dunlap has been proactive in these conversations.

- Senator Prentiss asked if the gaps in services connects to the services that are covered by Medicaid but not by commercial carriers.
- Ms. Dunlap confirmed and explained that it comes down to a narrow group of functional support services. These services are covered by Medicaid, but historically have not been covered by commercial carriers because they are traditionally not considered clinical. She emphasized that this gap in services has narrowed over the years.
- Senator Prentiss asked Ms. Dunlap to share the chart outlining the services.

#### Paula Rogers, America's Health Insurance Plans

- Ms. Rogers distributed a past bulletin from the Insurance Department that outlines the relevant procedure codes.
- She explained that this is similar to the issue addressed by SB 128 last year, as it addresses the issue of certain services not being traditionally covered by commercial carriers.
- She emphasized that there are ongoing discussions and said the question is how we can get to an understanding and opportunity to address the particular procedure codes.
- The issue at heart is that there is a difference between the public programs provided by Medicaid and what commercial insurers are required to provide. She emphasized that there are questions that would normally come out in contracting discussions to be considered.
- Ms. Rogers encouraged further discussion among stakeholders.

#### Holly Stevens, NAMI New Hampshire

- Ms. Stevens stated that she is speaking in support of the bill and emphasized that NAMI would appreciate being involved in any further discussions.
- Ms. Stevens explained that there are individuals who are involuntarily hospitalized and then conditionally discharged to CMHCs with orders to receive certain services. Some of these services include those being discussed today, which means commercially insured individuals must pay out-of-pocket or risk being hospitalized again for not complying with treatment.
- Ms. Stevens told a story about a patient who was receiving these services as an adolescent, but lost coverage when they got commercial insurance as an adult. That individual now has an outstanding balance of \$9,000 with the mental health center.
- Ms. Stevens emphasized that this is a parity issue, explaining that it has been a lot to get carriers to recognize these services as akin to rehabilitative services for individuals following medical procedures.