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February 14, 2023

Senator Judy Lee, Chairman
Senate Human Services Committee
North Dakota State Capitol, Pioneer Room
600 East Boulevard Avenue
Bismarck, North Dakota 58505

Senator Sean Cleary, Vice-Chairman
Senate Human Services Committee
North Dakota State Capitol, Pioneer Room
600 East Boulevard Avenue
Bismarck, North Dakota 58505

RE: AHIP Concerns on SB 2160 *Health Insurance Coverage of Telehealth*

Dear Chairman Lee, Vice-Chairman Cleary, and Committee members,

I am writing on behalf of AHIP to submit comments on SB 2160 *Health Insurance Coverage of Telehealth*. We appreciate the opportunity to provide feedback on the legislation and your consideration of our concerns.

Everyone deserves access to effective, affordable, and equitable mental health support and counseling, at a price they can afford. For years, health insurance providers have offered access to virtual health services and competed to bring new, cutting-edge, innovative tools to their members. Telehealth delivers convenient access to affordable, high-quality care. Tele-mental health support has been the single biggest area for growth since the COVID-19 crisis and has continued at a high level, as many new patients decided to engage with a mental health specialist via telehealth.

Health insurance providers are committed to ensuring that telehealth and other forms of virtual care are used to improve affordable access to care for all patients. Telehealth provides a unique opportunity to improve both affordability and access to mental health support and counseling for North Dakotans.

Telehealth can be a tool to reduce costs for both patients and providers. As health care costs continue to escalate, health insurance providers use every opportunity to deliver the administrative cost savings that telehealth brings to consumers and patients. Some of the shared cost-saving benefits of telehealth include more convenient appointment times for patients and reduced travel times. By delivering high-quality care through a convenient medium and at an affordable price, providers view telehealth as an effective and efficient way to improve care outcomes and make certain that patients get the right care, at the right time, and in the right setting. Telehealth for mental health support can also help reduce stigma as individuals can access care from the privacy of their home.

AHIP is concerned SB 2160 may increase premiums and impede access to affordable mental health support provided through telehealth services. As noted by NovaRest¹ in the analysis of SB 2160, AHIP is concerned the payment parity provisions of SB 2160 will increase health care costs and increase North Dakotans' out-of-pocket costs for mental health support provided through telehealth services. We respectfully request for this provision to be removed.

¹ NovaRest, [Analysis of LC 23.0547.0200 Relating to Health Insurance Coverage of Telehealth](#), January 6, 2023.

Telehealth visits do not always require the same level of intensity, same amount of time, or the same equipment as in-person visits and thus should not be required to be reimbursed equally. In order to maintain the cost saving potential of telehealth, health insurance providers should not be mandated to provide payment parity between virtual and in-person visits.

For patients with coinsurance or who have not met their deductible, mandating a higher reimbursement rate for a telehealth visit may directly translate to higher out-of-pocket costs to the patient. Telehealth savings are passed on to employers and consumers through lower premium rates or more robust health insurance coverage benefits, and directly to patients through lower cost-shares, such as coinsurance or unmet deductibles. This requirement in SB 2160 will negatively impact health plans' ability to design benefits that meet patients' needs while offering lower cost alternatives.

We appreciate the opportunity to share our concerns and your consideration of our comments. We urge the Human Services Committee to allow health insurance providers the flexibility in negotiating appropriate payment rates for telehealth services.

Sincerely,



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AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone. Visit www.ahip.org to learn how working together, we are Guiding Greater Health.