



**Texas Association of Health Plans**  
1001 Congress Ave., Suite 300  
Austin, Texas 78701  
P: 512.476.2091  
www.tahp.org

April 26, 2023

Re: Opposition to SB 1220

Dear Chair Kolkhorst and Members of the Senate Health & Human Services Committee,

The Texas Association of Health Plans (TAHP) is the statewide trade association representing health insurers, HMOs, Medicaid managed care, and other health plans that serve over 20 million Texans. Our members are committed to improving access to affordable, quality health care in Texas.

Mental health is a key component to a person's overall well being, and health plans are committed to efforts to provide safe, evidenced-based behavioral health care on par with medical care. In fact, Texas has some of the strongest mental health coverage requirements in the nation, including mental health parity, and private health plans already cover more comprehensive coverage than the Texas Medicaid program. Although we support ensuring access to quality mental health services for Texans, we are concerned about the significant cost of this mandate and questionable value.

TAHP opposes SB 1220 because it increases the cost of premiums for families and employers by mandating coverage requirements that, while important, are not health care services. Texas health plans are already required to cover the medical care services of this mandate under federal and state mental health parity laws. **This mandated treatment model aims to require health plans to cover services for social determinants of health, such as job placement, mentoring, or family education sessions.** While these services may be important, they are not health care and should not be mandated coverage for health insurers, Texas families, or employers.

Advocates for the bill have explained that the medical services of this treatment model are covered and have billing codes for health insurance reimbursement. However, these non-medical components are clearly not health care services and thus are not covered. The aim of this bill is to wrap all of those medical and social components together into one billing code so the social determinants services are also covered. We oppose mandating that private health plans cover non-medical health care services.

Health insurance for Texas families is already more than \$500 higher than the national average, and employers pay roughly \$14,000 per family. Small employers in Texas have steadily dropped coverage for employees, with employer-based coverage down 17% in two decades. It's no surprise that small



**Texas Association of Health Plans**  
1001 Congress Ave., Suite 300  
Austin, Texas 78701  
P: 512.476.2091  
www.tahtp.org

business owners in Texas ranked the cost of health insurance as their single biggest concern every year since 1986. We oppose further increasing the cost of premiums for families and employers with new mandated coverage requirements that, while important, aren't actually health care services.

**A study from California found that this mandate would increase costs of health coverage by nearly \$70,000,000 for the care of just 5,000 individuals with first episode psychosis. But more importantly, the independent analysis found that this care model “does not appear to be more effective than outpatient treatment-as-usual.”**

Texas currently provides coordinated specialty care for first episode psychosis through state funded grants to local mental health and behavioral health authorities (LMHAs/LBHAs). Providers serve patients across the state in 165 counties through these programs. State-funded programs for first episode psychosis treatment are a more consistent source of funding for care for these individuals given the [high incidence of uninsured \(47%\), publicly insured \(31%\), and the churn between coverage](#). While studies raise questions about the effectiveness of the CSC model over other models of care, continuation of treatment programs for patients who might move from private insurance, Medicaid, or being uninsured is likely critical to any successful treatment.

We respectfully ask the committee to oppose SB 1220, as it imposes coverage mandates for non-health care services or social determinants of health on Texas families and employers. Instead, we recommend the state continue to make investments in the existing state-funded programs for the treatment of first episode psychosis and state-funded programs that address non-medical drivers of health. This approach will better support the needs of Texans without placing undue financial burdens on families and employers.

Sincerely,

A handwritten signature in black ink that reads "Jamie Dudensing". The signature is written in a cursive, flowing style.

Jamie Dudensing, RN  
CEO

Texas Association of Health Plans