

Support Amendments to HB25-1002: Medical Necessity Determination Insurance Coverage



Health insurance providers support improving mental health and substance use disorder treatment, but the current language in HB25-1002 risks serious unintended consequences that will harm Coloradans.

The Bill Risks Unnecessary Institutionalizations:

- The bill's requirement to approve the next higher level of care when a recommended setting is unavailable, plus restrictions on transitioning patients as they improve, could inadvertently drive prolonged stays at higher intensity facilities (potentially against the will of the patient).
- This provision may reduce community-based treatment options, undermine person centered care, and ignore the "least restrictive means" principle critical to behavioral health.

The Bill Excludes the Use of Other Evidence-Based Guidelines:

- The required use of clinical criteria from a particular subset of behavioral health professional associations does not reflect nationally recognized clinical practice guidelines informed by peer reviewed scientific studies, medical literature, and consensus recommendations of a broader array of behavioral health provider associations and specialty societies.

- **LOCUS** and **CALOCUS/CASII** were NOT developed as comprehensive, peer-reviewed guidelines for medical necessity, but rather to support providers to aid placement decisions. Making such a significant change to how health insurance providers determine medical necessity will result in:

- Increased utilization, unnecessary costs and higher premiums for Coloradans
- Required coverage of services that are not clinically proven to support quality behavioral health care (i.e. equine therapy, specialized camps, etc.)

The Required Guidelines are Incomplete

The bill requires carriers utilize the LOCUS which is incomplete and there is no annual review of the tool because it's not considered criteria.

- **LOCUS** doesn't cover all services and levels of care (ABA, TMS)
- **LOCUS** doesn't address placement for specific conditions like eating disorders or Autism Spectrum Disorders.

A balanced approach—one that aligns with mental health parity, preserves flexibility, and supports patient-centered, evidence-based treatment—would better serve patients, providers, and health plans in Colorado.

**PLEASE SUPPORT
AMENDMENTS TO HB25-1002**

Contact Jason Hopper at (303) 880-2023 with questions.