

First, I want to acknowledge and thank everyone who was part of making Jake's Law a reality – especially Denise and Ben Denslow who shared their son with the world, Governor Ducey, Christina Corieri, and Senator Kate Brophy McGee. Thank you for your commitment to mental health.

Jake's Law was the product of a grieving mother's unyielding love for her son. It was three years of the hard, emotional labor of telling her son's tragic story time and time again. It was three years of bringing other advocates from all corners of this state together to fight to ensure that mental health is treated no differently than physical health. Jake's Law was a product of months of stakeholder meetings and a whirlwind legislative journey that ended just over a year ago when SB 1523 was signed into law by Governor Ducey. In the intervening time, our world has been flipped upside down as a result of the COVID19 pandemic which seems to have resulted in a corresponding rise in depression, increased hospital visits related to mental health for children, and anecdotal evidence of an increase in suicide. As we face the years ahead and the unknown fallout from the pandemic, the successful implementation of Jake's Law gives me hope that fewer families will have an empty seat at the dinner table because the rules promulgated to effectuate Jake's Law will help ensure their loved ones are receiving the mental healthcare they need.

Secondly, I want to acknowledge all the hard work from the Department of Insurance and Financial Institutions to implement this law. Between hiring a new FTE to oversee the requirements under Jake's Law and facilitating the mental health parity advisory committee, to developing the parity webpage and writing the draft rules under consideration today, I know this was and will continue to be a massive but worthy undertaking.

The dictionary definition of parity is the quality or state of being equal or equivalent. The mental health parity reporting requirement contemplated in Jake's Law and effectuated by these draft rules are, in my view, intended to be a diagnostic test to identify and diagnose whether the true spirit of the federal mental health parity law is being met by state regulated insurance plans with the hope that if disparities exist insurers either voluntarily make adjustments toward true parity or, if systemic issues are identified, regulators or lawmakers can intervene.

The purpose of this reporting requirement is not to force insurers to file unnecessary or cumbersome paperwork but to identify, diagnose, and treat disparities between mental and physical healthcare. As such, I am concerned with the adequacy and appropriateness of the 3 to 1 ratios found throughout the draft rule. For the most part, these ratios do not trigger a penalty or any kind of corrective action; they simply trigger a more detailed analysis of disparities within a plan's medical management standards, network tier design, and provider admission standards. Any ratio above 1 to 1 does not, in my view, align with the spirit and definition of parity and therefore ought to be further evaluated. I'm afraid that the 3 to 1 ratios found throughout the draft rule would serve only to further the status quo. Given that the majority of the compliance indicators do not trigger a penalty or corrective action and the purpose of the reporting requirement under Jake's Law is identify and diagnose disparities, I do

not believe it could be construed as overly burdensome to ask insurers to undertake an in-depth analysis of real and actual disparities. This information can illuminate for regulators and other policymakers where, why, and how disparities exist and whether or not those reasons are valid, acceptable, or warrant intervention. I applaud the Department for requiring corrective action in some areas like R20-6-1506(I)(2-4). I would like to see more of that throughout the draft rule.

Thank you again for all of your hard work. It is surreal to finally be at this point in the process. I'm excited and hopeful for Arizona's future.