



**H.B. 656: Mental Health and Substance Use Disorders; Network Adequacy Standards;
Comparative Analyses
Health and Human Services – Behavioral Health Subcommittee
January 29, 2026
Favorable**

Chair Gardner, and Members of the Health and Human Services – Behavioral Health Subcommittee:

Thank you for the opportunity to submit testimony in support of House Bill 656, which would strengthen network adequacy and Mental Health Parity and Addiction Equity Act protections to improve access to affordable mental health and substance use disorder care in Virginia. We thank Delegate Willett for introducing this important legislation, and we urge the subcommittee to support H.B. 656.

The Legal Action Center (LAC) is a non-profit law and policy organization that fights discrimination, builds health equity, and restores opportunities for people with substance use disorders, arrest and conviction records, and HIV/AIDS. LAC provides technical assistance to partners, including the Virginia Behavioral Health Providers Coalition, on the Mental Health Parity and Addiction Equity Act (Parity Act), robust network adequacy standards and enforcement, and other consumer protections for people with mental health (MH) conditions and substance use disorders (SUD).

We commend the Virginia Bureau of Insurance (BOI) for its critical work to enforce the Parity Act through market conduct exams. These enforcement tools undoubtedly make a difference at eliminating barriers to life-saving MH and SUD treatment in the plans they review, but they also fail to reach **all** Virginians at a time when we are still going through an overdose public health emergency and a MH crisis. **Virginia should be using all of the tools available to improve access to MH and SUD care, not just one.**

That is exactly what H.B. 656 does: it gives the BOI additional tools to ensure all Virginians have access to lifesaving MH and SUD treatment.

We understand that questions have been raised about pending federal litigation and wish to provide some context. In 2020, Congress included an amendment to the Parity Act through the Consolidated Appropriations Act of 2021 (CAA, 2021) which gave more teeth to the law. Not only do commercial health plans have to provide coverage for MH and SUD benefits at par with medical/surgical benefits, but they also have to show their work. They have to perform and document comparative analyses showing that there is true parity between MH and SUD benefits and medical/surgical benefits, and those analyses must be available to regulators upon request. In September 2024, the U.S. Departments of Labor, Health & Human Services, and Treasury issued updated regulations implementing this statutory change, along with several other gap-filling measures to address issues they had seen in the several years in which they had been reviewing the comparative analyses and reporting to Congress. However, in January 2025, a lawsuit was filed by the ERISA Industry Committee (ERIC) against the federal government over these regulations.¹ In response, the federal administration issued a non-enforcement

¹ <https://litigationtracker.law.georgetown.edu/litigation/10478/>

policy, and indicated it may rescind or revise the 2024 federal regulations.² However, they have not yet rescinded or revised those regulations. Moreover, the lawsuit is on hold, so no legal judgments have been made about those regulations.

Importantly, **the 2024 federal regulations are the current standards that Virginia carriers are already following and the BOI is already enforcing.** H.B. 656 has one provision in which it gives the BOI authority to adopt those federal regulations, but doing so is not required. That is, the legislation provides clarity and consistency for all parties who care about access to MH and SUD services, which is especially helpful in light of the ongoing federal litigation to ensure that carriers continue to comply with the Parity Act.

The other provisions in H.B. 656 are not linked to the federal litigation. The requirement for carriers to submit their Parity Act comparative analyses to the BOI is a standard that more than half the states are already using. Virginia carriers are already required to submit a questionnaire to the Bureau every year, and the full comparative analysis is one that they are already required by federal law to perform and document and thus it should not add additional burden if they are in compliance with the law. The other provisions in the bill regarding data collection, network adequacy standards, and enforcement are also not tied to the litigation – these are important consumer protections that have been effective in other states and will give Virginia the additional tools it needs to ensure MH and SUD care are truly available, accessible, and affordable to your constituents.

We appreciate your ongoing work to get Virginians the behavioral health care they need. We believe H.B. 656 builds on that work, especially at a time when so many members of this community are struggling to afford health care. It is unacceptable that they should be paying so much for their insurance and still not getting the MH and SUD care they need and are entitled to under state and federal laws. **We encourage you to support H.B. 656, and help us achieve true parity in Virginia.**

Thank you,

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² <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/mental-health-parity/statement-regarding-enforcement-of-the-final-rule-on-requirements-related-to-mhpaea>