

Mental Health Parity and Addiction Equity Act

You may have heard about new health plan laws and rules but are unsure what it all means or how it affects you. Below is a start in trying to provide information regarding these new laws and how they apply to seeking substance abuse treatment services and in some cases, mental health treatment services.

*The Mental Health parity and Addiction Equity Act improves access to much needed health and substance use disorder treatment services. Millions of Americans with mental health and substance use disorders fail to receive the treatment they need to get and stay well. This practice has contributed to a large gap in treatment services.

*The Mental Health Parity and Addiction Equity Act eliminates the practice of unequal health treatment. Often, insurance plans would have certain financial or admission requirements for medical conditions like diabetes, heart disease or asthma that did not apply to mental health or substance abuse treatment. Many times, the treatment for mental health or substance abuse services contained a higher financial deductible or admission criteria that were more stringent than other health related conditions.

*The law specifically prohibits imposing financial requirements (such as deductible, co-pays, coinsurance or out of pocket maximums) or treatment limitations (including day or visit limits) on Mental Health or Substance Abuse benefits in a way that is more restrictive than those imposed on other medical or surgical benefits provided by the plan. For example, if insurance plans providing Mental Health or Substance Abuse benefits have out of network coverage for medical and surgical benefits, they must also cover out of network Mental Health and Substance Abuse benefits.

*This Act applies to over 100 million people who are enrolled in large group employer funded (more than 50 insured employees) or State-regulated insurance plans, and to those who are covered by managed-care Medicaid programs. The Act does not apply to small employers who have fewer than 51 employees and to plans offered in the individual market. However, starting in 2014, small group and individual market plans purchased through State health exchanges will have to comply.

If you have concerns about compliance with the Mental Health Parity and Addiction Equity Act, you can contact the CMS help line at 1-877-267-2323 extension 6-1565 or at phig@cms.hhs.gov or the Department of Labor online or at 1-866-444-3272.