

Mental Health Parity and Addiction Equity Act Basic Talking Points

- Yesterday, the Department of Health and Human Services issued the long-awaited Final Rule implementing the Mental Health Parity Act.
- APA has been advocating for parity for at least 20 years. Overall, we are pleased with the rule which contains such features as:
 - Insurer transparency – insurers must provide mental health beneficiaries who ask the medical necessity standards and the processes used to implement them (e.g. concurrent review, prior authorization) for both mental health/substance use disorder and medical surgical claims.
 - This is a significant step forward for mental health patients as there is now a requirement, not only to express support for parity but demonstrate compliance.
 - Scope of services – the rule confirmed what APA has long argued – that parity requires a comparable continuum of care for mental health and substance use conditions.
 - Non-quantitative treatment limitations (NQTL) – The Final Rule confirms that provider reimbursement rates are a form of NQTL. Methodologies used to determine rates must be comparable between medical/surgical and mental health/substance use disorders. Limiting factors cannot be more stringently applied to mental health professionals.
 - Mental Health Carve-outs – are not exempt from compliance with the parity laws. The Plan providing both mental health and medical surgical benefits has to do so in parity regardless of how it divides up the administration of benefits.
 - Reimbursement rates – the rule specified that provider reimbursement rates are indeed integral to achieving parity and network adequacy.
 - Quantitative and financial treatment limitations – the final rule reaffirmed that quantitative and financial treatment limitations cannot be more restrictive than the predominant feature that applies to substantially all medical surgical benefits.

- It is unfortunate that Medicaid has not yet been resolved, but we are optimistic that the guidance the HHS promised to address on this issue will be beneficial to patients in need who suffer from mental illness or substance use disorder.
- **States will play an increasingly important role in enforcement and implementation and APA and District Branches need to be at the forefront of education, assistance and informing state officials about problems and processes that need resolution.**
- Parity has been a long road; it is not yet over. The final rule is not the final word and over the next year and more, APA and the DB's will continue to work with the Federal and State Agencies to ensure complete equity in the health system.
- As with every rule, "final" is the beginning – there will be disagreements over how to interpret the language and what it all means. Insurers will push the envelope and we have to push it back so that our patients will really see parity now.