



# Mental Health Parity and Addiction Equity Act (MHPAEA)

**A joint effort of Medicaid &  
the Office of Behavioral Health**

# Presentation Overview

- ▶ Mental Health Parity Definition & Application
- ▶ Overview of State Parity Work & Requirements
- ▶ Compliance and Monitoring

**What is Mental Health and Substance Use Disorder Parity?**



Mental health and substance use disorder parity means **comparable insurance coverage** for mental health, substance use disorder and physical health care.

Source: Substance Abuse and Mental Health Services Administration

#parity [hhs.gov/parity](https://www.hhs.gov/parity)

# Federal Parity Legislation

## MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT (MHPAEA)

- Requires equal treatment of behavioral health conditions to physical health conditions by generally preventing group health plans and health insurance issuers that provide mental health or substance use disorder (MH/SUD) benefits from imposing less favorable benefit limitations on those benefits than on medical/surgical benefits
- Although benefits may differ across population groups or plans, parity requires that the processes related to benefit determinations be comparable.
- 42 CFR Parts 438, 440, 456, and 457
- Parity analysis is conducted in 4 classifications:
  - Inpatient
  - Outpatient
  - Emergency Care
  - Prescription Drugs

**Why does parity matter?**



The infographic is divided into two columns. The left column features a silhouette of a head with three gears inside, representing mental health. Below it, the text states: 'ALMOST ONE IN FIVE AMERICAN ADULTS will experience a diagnosable mental health condition this year'. The right column features three pills, representing substance use disorder. Below it, the text states: 'MORE THAN HALF OF ALL AMERICANS know someone in recovery from a substance use problem'. At the bottom of the infographic, a summary states: 'Parity requires insurers to provide comparable coverage for mental health, substance use disorder, and physical health care so people can get the treatment they need.' The source is cited as 'Source: Substance Abuse and Mental Health Services Administration'. The hashtag #parity and the website hhs.gov/parity are also included.

**ALMOST ONE IN FIVE AMERICAN ADULTS**  
will experience a diagnosable mental health condition this year

**MORE THAN HALF OF ALL AMERICANS**  
know someone in recovery from a substance use problem

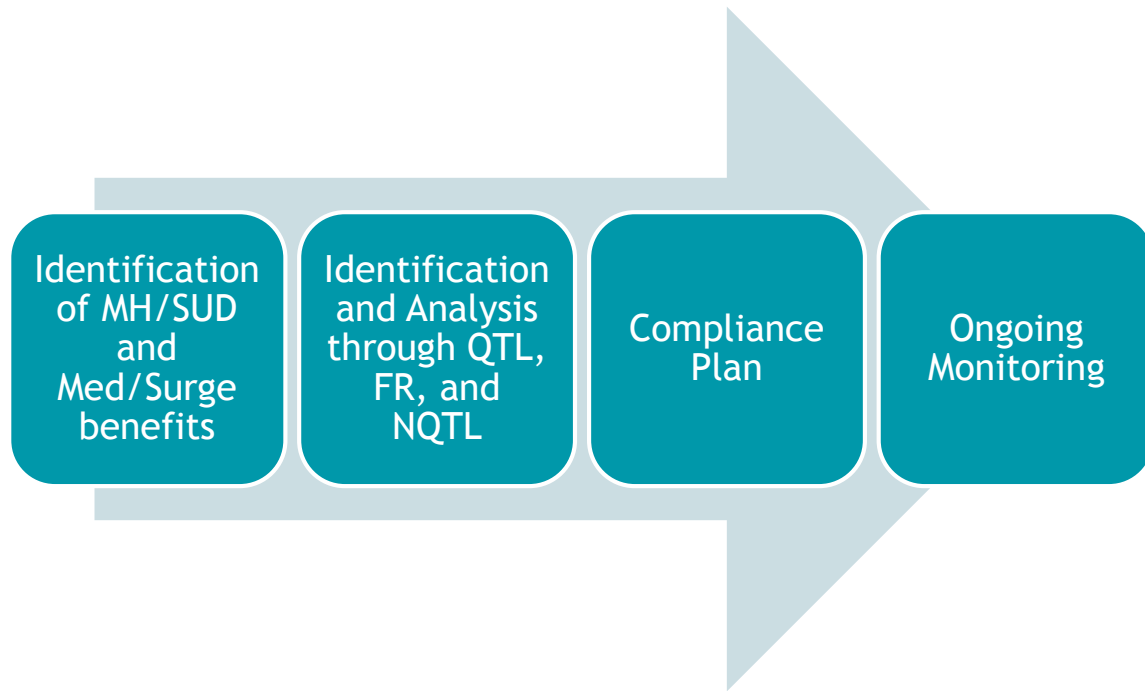
**Parity requires insurers to provide comparable coverage for mental health, substance use disorder, and physical health care so people can get the treatment they need.**

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# Mental Health Parity

## Overview of State Parity Work and Requirements



## The 'NOTS' of Parity

- ▶ MH/SUD coverage is NOT MANDATED under MHPAEA.
- ▶ This is NOT a benefit to benefit comparison.
- ▶ This is NOT just an analysis of mental health and substance use disorder benefits.
- ▶ It's not just an analysis of MCOs benefits, but of all state services including services provided by the state on a FFS basis.



# Treatment Limitations & Financial Requirements

▶ Quantitative Treatment Limitations (QTLs): Limits on benefits based on the frequency of treatment

- Number of visits
- Days of coverage
- Days in a waiting period, or
- Other similar limits on the scope or duration of treatment

▶ Non-Quantitative Treatment Limitations (NQTLs) : No “hard limits” but these limit the ability of a person to receive a certain service or level of services

- Prior Authorization Processes
- Concurrent Review
- “Fail First” Policies

▶ Financial Requirements

- Deductibles
- Co-payments
- Co-insurance
- Out of pocket maximums

▶ Aggregate lifetime or annual dollar limits are not considered financial requirements but are dealt with separately in the final rule

# Analyzing Non-Quantitative Treatment Limitations (NQTLs)

- ▶ A non-quantitative treatment limitation is a limit on the scope or duration of benefits such as PA or network admission. Soft limits, or benefit limits that allow for an individual to exceed numerical limits for M/S or MH/SUD benefits on the basis of Medicaid Necessity also are NQTLs.
- ▶ Analyze “as written or in operation”
- ▶ Requires a review of process, strategies, evidentiary standards or other factors used in applying the NQTL to make sure MH/SUD is comparable and applied no more stringently than M/S. The NQTL analysis is conducted by classification – it does not require a one-to-one comparison of a MH/SUD service to a M/S service.
- ▶ State will review utilization, network, pharmacy and clinical NQTLs.
- ▶ To put it simply, there should not be an arbitrary or discriminatory difference in how the state/MCO apply NQTLs to M/S as compared to MH/SUD.

# What if we are NOT in compliance?

- ▶ Depending on the nature of the inequity, Louisiana may need to:
  - direct MCO to change policies/procedures
  - add benefits or adjust treatment limits in the benefit package and adjust capitation rates as necessary
  - amend state plan so benefit package complies with parity
- ▶ Not all inequities must be fixed
  - Sometimes there is justification for differences
  - This must be documented

# Ongoing Monitoring

- ▶ This will follow LDH's initial compliance plan and continue indefinitely.
- ▶ LDH will take a comprehensive, multi-pronged approach
- ▶ General components of reviews for compliance:
  - form reviews,
  - MCO surveys,
  - consumer complaints,
  - review during changes of authority documents



# LDH Parity Website:

<http://ldh.louisiana.gov/index.cfm/page/2809>

The screenshot shows a web browser window with the following content:

- Breadcrumb:** Louisiana.gov > LDH > Office of Behavioral Health
- Left Navigation Menu:**
  - ABOUT US
  - ADDICTIVE DISORDERS
  - BEHAVIORAL HEALTH MANAGED CARE
  - MENTAL HEALTH
  - CSOC
  - CRISIS SERVICES
  - GRANTS
  - PUBLICATIONS
  - LINKS
- Main Content Area:**

## The Mental Health Parity and Addiction Equity Act (MHPAEA)

The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) is a federal law that prevents health care service plans from imposing more restrictive benefit limitations on mental health and substance use disorder (MH/SUD) benefits than on medical/surgical coverage.

Health plans must ensure that financial requirements (such as co-pays and deductibles) and treatment limitations that apply to MH/SUD benefits are no more restrictive than the predominant requirements or limitations applied to medical and surgical benefits.

As required, BHSF will have completed a compliance review of all services by October 2, 2017. This initiative will ensure Louisiana Medicaid recipients receiving Medicaid and CHIP services receive equal access to physical and behavioral health care.
- Right Side:** FEEDBACK button
- Graphic:**

### What is Mental Health and Substance Use Disorder Parity?

Mental health and substance use disorder parity means comparable insurance coverage for mental health, substance use disorder and physical health care.

Parity | the.govparity

# Questions?

## Why does parity matter?



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Source: Substance Abuse and Mental Health Services Administration

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