Insurance Coverage of Mental Health Treatment: Your Rights and Resources

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Agenda

- Mental Health/Substance Use Disorder Parity
  - What is it?
  - What does it mean for you?
- Your Health Insurance Rights
  - Appeals
  - Complaints
- Questions
Mental Health Parity and Addiction Equity Act

- Goal is to ensure coverage for MH/SUD on par with coverage for physical illnesses
- Effective date of October 2009; Interim final regulations in effect beginning July 1, 2010
- The Law Requires: If MH/SUD are covered, treatment limitations and financial requirements cannot be separate from or more restrictive for MH/SUD than those governing medical/surgical benefits.
## Who is Covered?

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Covered under What Law</th>
<th>Coverage Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Employer (51+ employees) Self-Insured (ERISA)</td>
<td>Federal Law</td>
<td>If MH/SUD are provided must be on par with medical</td>
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<tr>
<td>Large Employer (51+ employees) Fully-Insured</td>
<td>Federal Law and Maryland Law</td>
<td>Maryland Parity applies if stronger protections are in place</td>
</tr>
<tr>
<td>Small Employer (2-50 employees)</td>
<td>2014 Parity Compliant and Comprehensive Standard Health Benefit Plan</td>
<td>State law requires some MH/SUD services</td>
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<tr>
<td>Individual and Self-Employed</td>
<td>2014 and State law currently requires MH/SUD services</td>
<td>Some MH/SUD benefits are required</td>
</tr>
<tr>
<td>Government (federal, state, and local)</td>
<td>Federal Law</td>
<td>If MH/SUD are provided must be on par with medical</td>
</tr>
</tbody>
</table>
Parity Protections for Individual Plans*

- Individual plans are covered under Maryland parity law and must offer the following MH/SUD benefits:
  - Inpatient benefits: duration of care equal to or greater than duration for inpatient physical illnesses
  - Partial hospitalization: minimum of 60 days
  - Outpatient benefits: no limit on number of visits but tiered co-payment
    - 80% first 5 visits
    - 65% 6th through 30th visit
    - 50% 31st visit and beyond

*exempt from federal MHPAEA until 2014
Parity Protections for Small Employer Plans*

- Small employers (2-50 employees) offering insurance in MD must provide the Comprehensive Standard Health Benefit Plan (CSHBP)

- Benefit package includes:
  - Detoxification
  - Outpatient – unlimited visits; cost-sharing – 30% consumer (in-network provider) and 50% consumer (out-of-network provider)
  - Inpatient – up to 60 days
  - Partial hospitalization – 2 days for every 1 inpatient day

*exempt from federal MHPAEA until 2014
Parity Protections for Large Employer Plans

- Employers with more than 50 employees
- Covered by the Federal Parity Law
- Fully Insured must provide mental health benefit
- Self Insured do NOT have to provide mental health benefit
Federal Parity Law- Mental Health Parity and Addiction Equity Act

- Federal parity does not require that a plan provide MH/SUD benefits, but if it does, the benefits must be comparable to those for physical illnesses.

- Federal parity does not require plans to expand range of conditions/disorders covered.

- Addresses financial requirements and treatment limitations

- Jan 2014, all individual and small employer plans will be required to offer MH/SUD Benefits
Financial Requirements and Treatment Limitations

- Financial requirements or treatment limitations for MH/SUD can be no more restrictive than the “predominant” financial requirement for “substantially all” medical/surgical benefits.
  - A single, combined deductible is required for MH/SUD and medical/surgical benefits
  - Annual and aggregate lifetime dollar limits must be the same for MH/SUD and medical/surgical benefits
Treatment Limitations

- Treatment limitations – Quantitative and Nonquantitative
  - Quantitative treatment limits - frequency of treatment, number of visits, days of coverage, length of stay per episode
  - Nonquantitative treatment limits - often referred to as care management – standards that limit scope/duration of care
    - Medical management – utilization review, preauthorization, concurrent or retrospective review, case management, etc.
    - Drug formularies, step therapy or fail first protocols
    - Provider network participation standards
    - NQTLs must be comparable and can’t be more stringently applied for MH/SUD benefits.
Medicare and Medicaid Parity

- Medicare is exempt from MHPAEA
- The Medicare Improvement for Patients and Providers Act (MIPPA) was signed in 2008
  - outpatient parity by 2014

- CMS issued guidance in 2010 stating that Medicaid MCO plans must be parity compliant.
- Have yet to issue more specific guidance on this regarding the different types of plans.
Why Does Parity Matter?

- Addresses historic discrimination
- Removes barriers to treatment
- Recognizes that mental health and addiction treatment are necessary for whole health
Affordable Care Act and Mental Health

- Essential Health Benefits
- MHPAEA Compliance
- Health Benefit Exchange Implementation
- Medicaid Expansion
Affordable Care Act – Medicaid

- Medicaid expansion to cover adults up to 133(8)% of poverty (no later than 2014)
  - Benchmark plan or benchmark equivalent must provide essential health benefits
  - MH/SUD benefits provided under a Medicaid managed care provided at full parity
  - MH/SUD benefits provided in a non-managed care system provided on par for financial requirements and treatment limitations
- New enrollees will get the benchmark plan but existing enrollees are entitled to the current level of services
What Can You Do

- File an Appeal
- File a Complaint
- Advocate for Parity and Adequate Coverage
Insurance Appeals

- Internal Appeals
  - Medical Necessity Denials
  - With the Insurance Company

- External Appeal/Review
  - Second Level of Appeal
  - With the Maryland Insurance Administration

- Appealable Decisions
  - Denial of Authorization or Reimbursement
  - Parity Violation
  - Network Issues
Complaints and Grievances

- Filed with the Maryland Insurance Administration
  - Parity violations
  - Network adequacy issues
  - Other discrimination/market conduct concerns
- Filed with the US Department of Labor
  - Parity Violations
Maryland Parity Project

- Mental Health Association of Maryland, with grant funding created a project to:
  - Educate consumers and providers to their new rights under the 2008 law
  - Offer case assistance to consumers who have been inappropriately denied treatment
- Questions about your mental health insurance benefits call 410-235-1178 ext. 206 or visit the website at www.MarylandParity.org
Resources

- Maryland Parity Project [www.marylandparity.org](http://www.marylandparity.org)
- The National Parity Coalition [www.parityispersonal.org](http://www.parityispersonal.org)
- Maryland Attorney General Health Education and Advocacy Unit [www.oag.state.md.us/consumer/HEAU.htm](http://www.oag.state.md.us/consumer/HEAU.htm)
- Maryland Insurance Administration [www.mdinsurance.state.md.us/sa/jsp/Mia.jsp](http://www.mdinsurance.state.md.us/sa/jsp/Mia.jsp)
- US Department of Labor [www.dol.gov/ebsa](http://www.dol.gov/ebsa)