

**New Federal Mental Illness Insurance Parity Law Passed
Paul Wellstone-Pete Domenici Act of 2008 (P.L. 110-343)**

In Utah, as in many other States, a large number of children experience barriers to receiving mental and behavioral health services. Approximately 1 in 5 children suffer from a diagnosable mental disorder or other psychosocial conflict impairing function, but only 20% to 25% receive treatment. Without early assessment and intervention many of these conditions impact child and family wellbeing and may risk becoming a significant disorder continuing into adulthood. Children with special health and medical requirements have even greater needs and face greater barriers to meeting these needs. It is in this vein, that we bring attention to this important civil rights legislation. Primary care physicians understand these problems since they are the primary caretakers and prescribers for people with mental illness, and many more children will be seeking treatment in the dawn of health reform.*

In brief, the new law passed is a huge step toward mental health parity. It requires group health plans to cover treatment for mental illness in the same way as all other illnesses and will be enacted January, 2010:

- Treatment Limits: Equity with respect to numerical limits on the full scope of inpatient and outpatient services medically appropriate for their condition. The refusal of plans to reimburse medically appropriate mental health/substance abuse disorder treatments is a violation of the treatment limitations definition.
- Financial Limits: Equal applications barring higher cost sharing, deductibles and out of pocket limits resulting in most plans doing away with separate deductibles for mental illness and substance abuse. (mh/sa)
- Timely implementation of the regulations is critical to avoid continued health discrimination of those with mh/sa disorders.

First off, parity requirements only apply to employer health insurance plans where the employer has 50 or more employees. Small employer plans and individual insurance policies are not affected. It does also apply, however, to Medicaid managed care plans including the Child's Health Insurance Plan (CHIP).

If the child's private insurance health plan, or the child's Medicaid managed care plan, covers any mental health or substance abuse services there cannot be arbitrary and/or different limits on the length of treatment for mh/sa services as compared with other medical/surgical care, regardless of whether the service is delivered by primary care or specialty care providers.

This should mean standard co-payments (e.g. 20% instead of 50%) for the family, and no limit on number of outpatient sessions or inpatient days. Nonetheless, utilization review and other managed care techniques may still be applied on an individual case basis to determine whether or not a particular service to a particular child is deemed medically necessary. Since managed care organizations often employ tighter utilization reviews on mh/sa services than on other traditional care, may still be an issue.

If the child's insurance does not cover mh/sa services, then none of the parity requirements apply. Some plans may drop mental health benefits entirely; however, there is no record of this since the early 1996 provision for parity has been in effect.

The specific services covered by a particular insurance plan are up to the plan and purchaser to decide. Generally, these plans cover inpatient care, medication and therapy for mh/sa, and nothing in this law requires them to do more than that. Plans also have the flexibility to determine the specific disorders they will pay for (e.g. only "serious" or only Axis I, etc.). However, the hope is that it will be too much of an administrative hassle for them to pick and choose. But we will have to wait and see how plans behave

once the law goes into full effect. In addition, the forth-coming health care reform measures currently in congress will likely expend this with greater guarantee of expanded mental health care coverage.

Further regulations to define some of the terms used in the law are expected in January, 2010, but plans are required to comply as best they are able, starting with the upcoming plan year. The law states that health plans may seek an exemption to waive parity for one year, but would have to comply after that year. The National Association for Mental Illness expects few if any plans would qualify for an exemption.

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