

Policy Changes for Behavioral Health Parity (Part 1)

The 2008 [Mental Health Parity and Addiction Equity Act](#) focused on improving behavioral health parity. However, insurers have continued finding loopholes to avoid paying for behavioral health care. Adequate behavioral health coverage for people with private health insurance continues to be difficult to obtain; [only about 20%](#) of children with mental, emotional, or behavioral disorders receive care from a mental health care provider. In 2017, a behavioral healthcare office visit for a child was [10.1 times more likely](#) to be provided by an out-of-network provider than a primary care office visit – more than twice the disparity seen for adults. With [rising behavioral health needs of children](#) and the behavioral health [workforce shortage](#), the need to strengthen parity has become more important than ever.

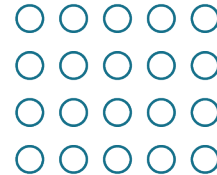
Last month, the White House [proposed new rules](#) to improve behavioral health parity, which [include three major policy changes](#):

- Requiring insurers to report outcomes, demonstrating they offer equal access to physical and behavioral health services.
- Limiting insurers' use of prior authorization and narrow networks of providers as basis to deny care and requiring use of similar methods for setting out-of-network payment rates for behavioral healthcare as physical healthcare.
- Implementing revisions to the law that previously said that health plans offered by state and local governments did not have to comply with the law.

States can play a role in enhancing behavioral health benefits for the commercially insured by adopting their own policies around parity and enforcement. Learn more about what states can do in Part 2 of this discussion in the next TA Telegram or contact innovationsinstitute@uconn.edu to explore how to address these issues in your state.

Resources

- [Mental Health Parity and Addiction Equity Act \(MHPAEA, 2008\)](#)
- [MHPAEA Comparative Analysis Report to Congress: July 2023 | DOL](#)
- [Departments of Labor, Health and Human Services, Treasury announce proposed rules to strengthen Mental Health Parity and Addiction Equity Act | HHS](#)
- [KFF Health News' 'What the Health?': Another try for mental health 'parity'](#)
- [Mental Health and Substance Use Disorder Parity | DOL](#)
- [Know Your Rights: Parity for Mental Health and Substance Use Disorder Benefits | SAMHSA](#)
- [The Essential Aspects of Parity: A Training Tool for Policymakers | SAMHSA](#)



Improving Behavioral Health Parity (Part 2)

States hold much of the responsibility for enforcing mental health parity and can enhance behavioral health benefits for commercially (aka privately) insured individuals through legislation and regulatory, enforcement, and compliance efforts. At least [37 states had mental health parity statutes](#) as of summer of 2021, requiring insurance companies to show and report on compliance and cover a fuller range of disorders and conditions. Over the past six years, [ten states have taken corrective actions](#) against health plans and behavioral health organizations for parity violations, gaining over \$31 million to help fund mental health and substance use disorders.

Medicaid covers behavioral health care through multiple avenues, including EPSDT. However, when families who are covered by commercial insurance and not eligible for Medicaid are unable to afford behavioral health treatment and services, some families find themselves taking [drastic measures](#), including entering into voluntary placement agreements or [relinquishing custody of their children](#) to give them access to services covered by the Medicaid or child welfare, juvenile justice, or other public child- and family-serving agencies.

Contact innovationsinstitute@uconn.edu to learn more about how states can improve access to behavioral health care, including through Medicaid lookalike numbers, braiding of financing strategies, and improved oversight and quality improvement.

Resources

- [States Seek to Lower Costs, Increase Coverage of Mental Health Care \(NCSL\)](#)
- [The Essential Aspects of Parity: A Training Tool for Policymakers \(SAMHSA\)](#)
- [State Parity Reports \(ParityTrack\)](#)
- [State Parity Enforcement Actions \(ParityTrack\)](#)
- [Mental Health Parity \(Council of State Governments\)](#)
- [Model State Parity Legislation \(The Kennedy Forum\)](#)
- [Custody Relinquishment to Obtain Children’s Behavioral Health Services \(UMD & the TA Network\)](#)
- [Child Welfare and Juvenile Justice: Several Factors Influence the Placement of Children Solely to Obtain Mental Health Services \(U.S. GAO, 2003\)](#)