

Mental Health Parity Review



Public Consulting Group (PCG) can help you ensure health plans are complying for mental health/substance use disorder parity standards. Our solutions automate the review process to make it less complicated and time consuming, leading to healthier communities.

Background

Commercial health insurance plans and Medicaid plans must monitor for parity between medical/surgical benefits (med/surg) and mental health/substance use disorder benefits (MH/SUD).

The following types of health plans are subject to the standards set forth in the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA), and in some instances the expansion of protections included in the Affordable Care Act.

- ✓ Non-grandfathered individual plans both on and off-exchange
- ✓ Large group plans that provide MH/SUD coverage
- ✓ Small group plans both on and off-exchange

How do you ensure parity?

In order to ensure parity, states must monitor three categories of care management to ensure that MH/SUD is being treated and administered the same as med/surg.

1. Cost Sharing and Treatment Limits

Includes financial requirements and quantitative treatment limits; for example:

- Higher co-pays, co-insurance, and out-of-pocket maximums for MH/SUD
- Separate deductibles for MH/SUD
- Lifetime and annual dollar limits that are more restrictive than med/surg
- More limited visit limits (number of visits or days of coverage) for MH/SUD

2. Other Coverage Limits

Insurers may not apply a non-quantitative treatment limit to MH/SUD benefits in a manner that is more restrictive than those applied to med/surg benefits.; for example:

- Formulary design for prescription drugs
- Network tier design

3. Benefit/Coverage Requirements

If a group health plan or health insurance coverage includes med/surg benefits and MH/SUD benefits, and the plan or coverage provides for out-of-network med/surg benefits, it must provide for out-of-network MH/SUD benefits.

Our expertise

PCG has worked with state departments of insurance and Medicaid agencies to assist them in the review of health plans for compliance with MHPAEA and parity between med/surg and MH/SUD in order to protect consumers. As many states are designing their review processes from scratch, PCG offers an array of tools that are tested but customizable to ensure that we are targeting the specific goals of each state.

Our suite of review tools and previous client engagement includes:

- ✓ Annual Report Templates
- ✓ Data Collection Templates that automate the review for identified categories of care
- ✓ Assistance in defining the non-quantitative and quantitative treatment limitations that states would like to examine and creating a data submission template
- ✓ Claim Review and Market Conduct Exam assistance to review for parity violations in benefit administration
- ✓ Compliance Review for Medicaid programs, including best practices guides for initial parity review
- ✓ Clinical expertise to review prescription drug formularies and claims to ensure parity between cost, tiers, and coverage of MH/SUD and med/surg drug coverage

For more information on PCG's mental health parity review services, contact us today.

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