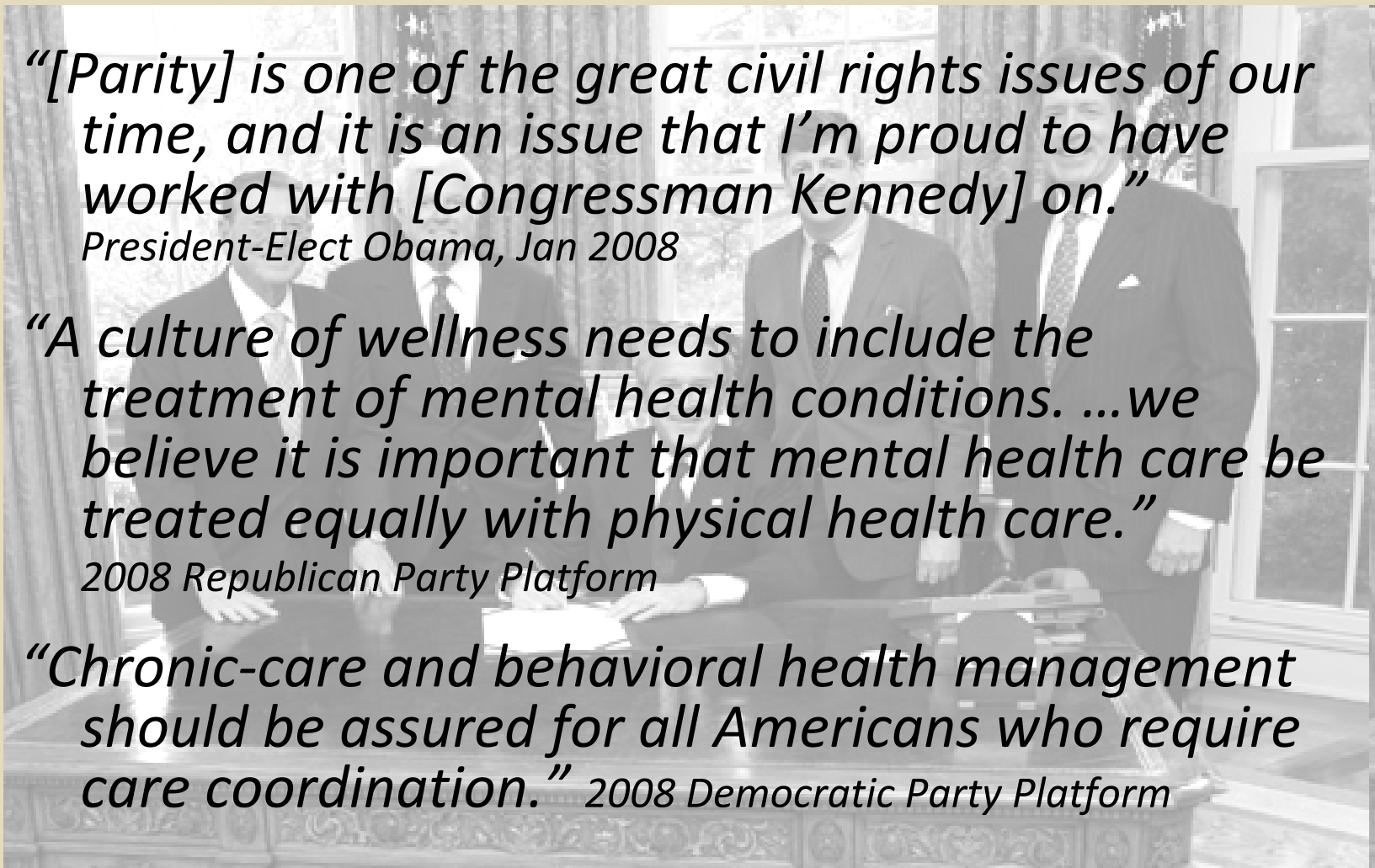


# **Mental Health and Addictions Insurance Parity: A State Perspective**

**Women In Government**  
**2<sup>nd</sup> Annual Mental Health Task Force**  
National Harbor, Maryland  
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# Parity: The New Expectation



*“[Parity] is one of the great civil rights issues of our time, and it is an issue that I’m proud to have worked with [Congressman Kennedy] on.”*

*President-Elect Obama, Jan 2008*

*“A culture of wellness needs to include the treatment of mental health conditions. ...we believe it is important that mental health care be treated equally with physical health care.”*

*2008 Republican Party Platform*

*“Chronic-care and behavioral health management should be assured for all Americans who require care coordination.”* 2008 Democratic Party Platform

# Parity is the expectation because...

## Mental health and substance use disorders are common

- 1 in 17 adults (about 10 million Americans) live with a serious mental illness
- More than 1 in 10 children live with a substance-abusing parent

## Treatment works and recovery is possible

- Yet, fewer than one-third of adults and half of children with a diagnosable mental disorder receive any level of treatment in any one year

## Mental health and substance use disorders are chronic, recurring conditions that impair productivity

- Major mental illness costs the nation at least \$193 billion annually in **lost earnings**

## Mental illness often co-occurs with other conditions, complicating treatment and raising overall costs

- **1 in 5 hospital stays** involves a primary or secondary diagnosis of mental illness
- Adults with chronic medical conditions have high rates of depression, which **impairs self-care and adherence to treatment**

## Mental health and substance use disorders have high prevalence, high impact, and treatment delays

- Public systems bear the costs in **child welfare, corrections, education, and health and disability programs**

### *Implications for promoting health*

- Need for mental health and substance use **parity in private and public health plans**



**Don't We Have Parity Now?**  
***Not yet.***

# Parity for All Americans

## State laws are needed to cover people in individual and small group plans

- New Federal parity legislation applies to certain plans of more than 50 employees, mainly self-insured

State parity law applies to **individual** plans in 22 states: AL, CA, CT, DE, DC, GA, HI, IN, KS, ME, MD, MA, MN, MT, NV, NJ, RI, SD, VT, VA, WA, WV

State parity law applies to **small group** plans in 25 states: CA, CT, DE, DC, FL, GA, LA, MD, MA, MN, MO, MT, NH, NJ, NM, NY, NC, ND, OH, OR, RI, SD, VT, WA, WV

# Parity for All Americans

State law enhancements are needed to achieve true “parity” in private health plans...

- Only four states have comprehensive parity laws; of these four, only CT and VT include individual plans

Parity benefits for **broad range of mental health and substance use disorders**: CT, MN, OR, VT

Parity for **serious mental illness only**: CA, DE, HI, MT, NH, NJ, NC, SD, VA

# Parity for All Americans

## ...and in public plans to expand coverage

- Several states have **parity coverage** for mental health and substance use disorders in public plans:  
ME: **Dirigo Choice**  
MN: **MinnesotaCare**  
VT: **Catamount Health**
- New York’s “Healthy New York” plan has **no coverage** for mental health or substance use disorders
- *NY insurers voice frustration with the lack of mental health coverage*

# Ensure Legislative Intent

## Patient protection statutes may be needed

- **Adequacy of network provider panels** (National Association of Insurance Commissioners' Managed Care Plan Network Adequacy Model Act)
- **Access to out-of-network specialists**
- **Definition of medical necessity (MN)**
- **Uniform application of utilization management**
- **Comparable fee structures**
- **Scope of benefits (MN)**

# **National Alliance on Mental Illness**

**[www.nami.org](http://www.nami.org)**

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