

Parity Passed: Now What?

By Emily McKee

WHILE 2008 BROUGHT MANY SWEEPING CHANGES TO THE NATION'S POLITICAL SCENE.

the mental health and disability community saw one of its most important goals realized in the passage of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Act. Congress ensured passage of this landmark legislation, commonly referred to as mental health parity, by tacking on the first economic stimulus package to the insurance parity bill. President George W. Bush signed the bill into law on October 3, 2008, marking an end to years of advocacy for equal health insurance treatment of mental illnesses and disorders.

What is mental health parity?

The 2008 parity act will expand upon the equity afforded in the 1996 parity law mandating that annual and lifetime dollar limits of mental and physical treatments and services be equal. Though the bill technically goes into effect one year after the President signed it into law, or October 4, 2009, most health plans will likely not begin offering equal coverage until January 1, 2010.

Who does parity affect?

The new federal law makes it illegal for health insurance plans sponsored by businesses with fifty or more employees to impose day and visit limits for mental health treatment that are more restrictive than coverage provided for physical illnesses. It also prohibits applying different (read more restrictive) deductibles,

health coverage will not be required to do so under the new law. The new federal law requires only those plans *already* offering mental health and addiction treatment and services to make coverage equal to the coverage afforded any physical benefits of the plan. In the 46 states that already offer mental health parity, this federal legislation will only evertaled the state

copayments, out-of-network charges and other finan-

cial requirements for mental health treatment com-

pared to physical health treatment covered in a plan.

However, health plans that do not already offer mental

In the 46 states that already offer mental health parity, this federal legislation will only overtake the state parity counterparts if state laws are weaker than the 2008 parity act. For over 113 million Americans, including 82 million who are covered by self-funded plans regulated under the Employee Retirement Income Security Act (ERISA), this federal legislation will require equal coverage and will end insurance discrimination of mental illnesses and disorders.

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Do any loopholes exist?

As previously mentioned, the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Act only applies to plans covering businesses that employ more than fifty people and only requires such a plan to equalize mental health benefits if the plan already offers mental health coverage in addition to physical coverage. However, other conditions apply.

The legislation allows a company to apply for a cost exemption if the company can demonstrate a greater than two-percent increase in actual costs during the first year. The exemption, if approved, would free the company from offering mental health coverage on an equal basis as physical health treatment, but experts do not expect this to occur frequently. Additionally, Congress did not require insurance companies to cover each condition listed in the Diagnostic and Statistical Manual of Mental Disorders (DSM-IV), giving them discretion over which illnesses they will cover. Because fewer published studies exist on adult AD/HD when compared to childhood AD/HD, some plans may not cover adults with AD/HD. However, CHADD continues to advocate for more research supporting the diagnosis and treatment of all forms of AD/HD.

CHADD's (increasingly loud) policy voice

In 2008, CHADD members responded to each and every Public Policy Action Alert with enthusiasm and persistence. Without the thousands of phone calls, emails, letters, personal office visits, and chats by CHADD members, mental health parity would have encountered a much harder struggle to achieve passage.

As someone concerned about individuals with AD/HD in all aspects of life, know that Capitol Hill heard your concerns, along with those of all other mental health advocates, loud and clear. This is a victory for all CHADD members and everyone affected by AD/HD.

To learn about specifics of the new federal parity law as they are released in the coming year, and for more information on other public policy initiatives at CHADD, visit the **Influence Policy** section of CHADD's Web site (chadd.org). ●

RESOURCES:

apa.org, American Psychological Association



