



## Final Parity Rule Issued

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The U.S. Departments of Health and Human Services, Labor, and the Treasury jointly issued the final rule on parity under the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act (MHPAEA) in November.

Originally passed in 2008, MHPAEA requires many insurance plans that cover mental health or substance use disorders to offer coverage for those services that is no more restrictive than the coverage for medical/surgical conditions.

## What's Included in the Federal Parity Law?

The requirement applies to:

- copays, coinsurance, and out-of-pocket maximums;
- limitations on services utilization, such as limits on the number of inpatient days or outpatient visits that are covered;
- the use of care management tools;
- coverage for out-of-network providers; and
- criteria for medical necessity determinations.

MHPAEA does not require insurance plans to offer coverage for mental illnesses or substance use disorders in general, or for any specific mental illness or substance use disorder. It also does not require plans to offer coverage for specific treatments

or services for mental illness and substance use disorders. However, coverage that insurance plans do offer for mental and substance use disorders must be provided at parity with coverage for medical/surgical health conditions.

## **Final Parity Rule**


The final rule includes specific additional consumer protections such as:

- ensuring that parity applies to intermediate levels of care received in residential treatment or intensive outpatient settings;
- clarifying the scope of the transparency required by health plans, including the disclosure rights of plan participants, to ensure compliance with the law;
- clarifying that parity applies to all plan standards, including geographic limits, facility-type limits and network adequacy; and
- eliminating an exception to the existing parity rule that was determined to be confusing, unnecessary and open to abuse.

## **Affordable Care Act Extension of Parity**

The Affordable Care Act (ACA) significantly extends the reach of MHPAEA's requirements. Starting in 2014, the ACA will require all small group and individual market plans created before March 23, 2010 to comply with federal parity requirements. Qualified Health Plans offered through the Health Insurance Marketplaces in every state must include coverage for mental health and substance use disorders as one of the ten categories of essential health benefits, and that coverage must comply with the federal parity requirements set forth in MHPAEA.

## **Resources**

- [The Final Parity Rule](http://www.samhsa.govhttps://s3.amazonaws.com/public-inspection.federalregister.gov/2013-27086.pdf) (<http://www.samhsa.govhttps://s3.amazonaws.com/public-inspection.federalregister.gov/2013-27086.pdf>) (656 KB, PDF) 
- [SAMHSA Information on Parity](http://beta.samhsa.gov/health-reform/parity) (<http://beta.samhsa.gov/health-reform/parity>)
- [Parity Rule Fact Sheet](http://cms.hhs.gov/CCIIO/Programs-and-Initiatives/Other-Insurance-Protections/mhpaea_factsheet.html) ([http://cms.hhs.gov/CCIIO/Programs-and-Initiatives/Other-Insurance-Protections/mhpaea\\_factsheet.html](http://cms.hhs.gov/CCIIO/Programs-and-Initiatives/Other-Insurance-Protections/mhpaea_factsheet.html))