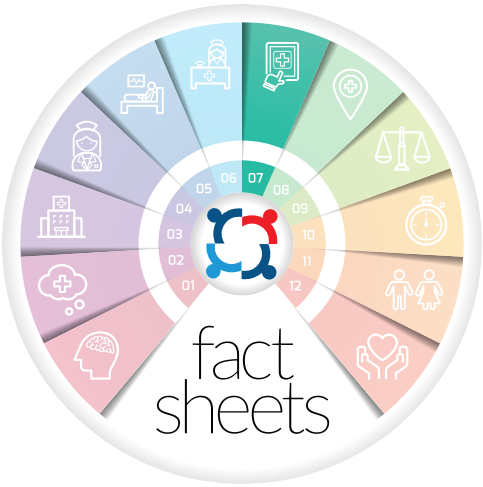
circle OF CARE



07: Health Insurance

Introduction

Mental health is essential to overall health and well-being, yet mental health insurance benefits often do not measure up to coverage for other types of medical care. In a recent study of caregivers of adults with mental health conditions, one third of the caregivers (31%) stated a need for health insurance to cover mental illness on par with medical care.[27]

Background

Three federal laws protect people from discrimination in mental health and addiction coverage: The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA), The Patient Protection and Affordable Care Act of 2010 (ACA) and the 21st Century Cures Act of 2016. These laws require most health plans to cover mental health and addiction treatment at the same level as other types of medical care. The number of covered visits cannot be lower, and out-of-pocket costs cannot be higher. The selection of prescription drugs must be comparable between mental health and medical or surgical care. Standards used to approve or deny care cannot be stricter for mental health.

Parity applies whether the provider or health facility is in or outside the health plan network. And, if no in-network provider is available close to home, insurers are required to cover out-of-network care at no additional out of pocket cost.

Health coverage for most Americans is subject to federal parity law. That includes large employer health plans, self-insured employer-based plans, and Medicaid managed care plans. Most health insurance purchased by individuals or small employers (2-50 workers) must comply with parity law, whether sold through a health insurance exchange or not. A few individual plans are exempt, but only if they were purchased before 2010 and have not changed since. Medicare has a lifetime limit of 190 days for in-patient psychiatric care: although outpatient services are covered at the same level. Parity is not required for Tricare, retiree-only plans, state and local government plans, or health plans for faith-based organizations.

Parity Warning Signs

Mental health parity may be an issue if the care recipient's health plan denies approval for care recommended by the provider,

[27] National Alliance for Caregiving: *On Pins & Needles: Caregivers of Adults with Mental Illness*. www.caregiving.org/mentalhealth

if out of pocket costs are higher, or if it is difficult to find a mental health or addiction treatment provider who takes the health plan. The most common parity issues include:

The health plan pays for fewer outpatient visits or inpatient days for mental health or addiction care than for other types of care.

Residential or partial hospital care is not covered. For example, residential care for an eating disorder is excluded, but the plan pays for stroke care in a skilled nursing facility.

Higher out-of-pocket costs for mental health or addiction care. For example, the copay for a visit with a mental health therapist is higher than the copay for a pulmonologist to treat asthma.

Treatment requests are denied more frequently for mental health or addiction care than for other types of medical care due to medical necessity criteria.

Prior approval is required more often for mental health or addiction care than for other care.

Step therapy (or fail first) requirements are more troublesome. Step therapy means that a consumer must try and fail on one treatment before the prescribed care will be covered.

No local mental health professionals are in the health plan network and the health plan does not pay for out-of-network providers.

What to Do

You and the care recipient may take the following steps if the health plan will not pay for the mental health or addiction care prescribed by the provider:

1. ***Talk with the provider.*** Ask why the recommended treatment is preferred over alternatives recommended by the health plan.
2. ***Contact the health plan customer service line.*** Explain the situation and ask for a decision to cover the requested care.
3. ***If not satisfied, file a written appeal.*** Formally asking the health plan for a different decision is worthwhile, because many appeals are overturned in favor of the consumer.
4. ***At the same time, contact the state health insurance department or Medicaid consumer complaint service.*** Staff at these offices can help you understand whether parity applies and how to file a complaint. They can also connect you to the person or agency responsible for your care recipient's health plan.

Visit the U.S. Department of Health and Human Services parity complaint portal for more information and to connect to the correct government agency: *www.hhs.gov/mental-health-and-addiction-insurance-help*.

07: Health Insurance

Helpful Websites & Numbers

Centers for Medicare and Medicaid Services (CMS)
Federal agency responsible for Medicare, Medicaid and health insurance exchange or federal Health Insurance Marketplace plans.
- *Helpline: 877-267-2323 extension 61565*
- *phig@cms.hhs.gov*

ParityTrack
A nonprofit organization that advocates for mental health and addiction parity
- *www.paritytrack.org*

Substance Abuse and Mental Health Services Administration (SAMHSA)
Federal agency responsible for mental health and substance use services.
- *Helpline: 800-662-4357*

U.S. Department of Health and Human Services (HHS) Parity Portal
To find the correct state or federal agency for the type of health plan.
- *www.hhs.gov/mental-health-and-addiction-insurance-help*

U.S. Department of Labor, Employee Benefits Security Administration (EBSA)
Federal agency responsible for employer sponsored and large self-insured health plans.
- *866-444-3272*
- *www.dol.gov/agencies/ebsa/about-ebsa/ask-a-question/ask-ebsa*