

# WHAT IS MENTAL HEALTH PARITY?

HEALTH INSURANCE MUST PROVIDE EQUAL COVERAGE FOR PHYSICAL AND MENTAL HEALTH CONDITIONS.

## KNOW YOUR RIGHTS

- You have the right to coverage for the diagnosis and medically necessary treatment of mental illness.
- You can change your doctor or other mental health provider if you are not satisfied.
- You can see and get a copy of your medical records.
- You have the right to keep your medical information private.
- You can get a second medical opinion when you are given a diagnosis or treatment option.

### **Q: What must be equal for mental and physical health?**

**A:** Co-payments, co-insurance, deductibles, out-of-pocket expenses, any treatment limitations, prior authorization requirements, frequency of treatment, access to medications, number of visits, and days of coverage.

### **Q: What are some examples of unequal coverage?**

**A:** (1) Your insurance will only pay for one session of mental health therapy a month but your insurance will pay for more visits to other physical health providers. (2) Your insurance will pay for outpatient programs after a car accident but not after a mental health crisis. (3) You have to pay \$40 every time you see a mental health provider but only \$20 when you see other health providers.

## ***Federal Parity Law***

### **Q: Which insurers are obligated?**

**A:** Beginning January 1, 2014, the Affordable Care Act (ACA) expands The Mental Health Parity and Addiction Equity Act of 2008 to apply to almost all forms of health insurance. In addition to large group employer plans and state regulated plans, including Medi-Cal managed care plans, the ACA will require all small group and individual market plans to comply with federal parity requirements, including Medicare Advantage and health plans offered through the insurance exchange, *Covered California*.

### **Q: What benefits must be provided?**

**A:** The ACA strengthens the 2008 parity law by requiring health insurers to include coverage for *mental health and substance use disorder* services because they are now considered an *Essential Health Benefit*.



## **California Parity Law**

### **Q: Who does the California parity law apply to?**

**A:** California's mental health parity law, Mental Health Parity Act of 1999, AB 88 applies to California's private insurers that are state regulated. The law does not apply to Medicare, Medi-Cal, Veterans Administration programs, or self-insured health plans (usually large employers whose plans are regulated only by federal law). Additionally, California law limits equal coverage to the following mental health conditions: Major depression; Bipolar (manic-depressive) disorder; Panic disorder; Anorexia; Bulimia; Obsessive-compulsive disorder; Autism or Pervasive Developmental Disorder; Schizophrenia; Schizoaffective disorder; and Children's severe emotional disturbances.

### **Q: What benefits must be provided under California law?**

**A:** Outpatient services, inpatient hospital services, partial hospital services, prescription drugs (if included in plan). Also, the 9<sup>th</sup> Circuit Court found that a health plan should provide all "medically necessary treatment" for "severe mental illnesses" such as residential care. *Harlick v. Blue Shield of California*, 686 F.3d 699 (9<sup>th</sup> Cir. 2012).

### **Q: How are the parity laws enforced?**

**A:** The agencies regulating the plans will be responsible. These include the California Department of Managed Health Care, the California Department of Insurance, and the Department of Labor.

## **FOR MORE INFORMATION AND FOR INDIVIDUAL ASSISTANCE CONTACT:**

### **CONSUMER CENTER OF HEALTH EDUCATION AND ADVOCACY**

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