



National Eating Disorders Association

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Mental Health Parity

Compiled by Lara Gregorio, Updated May 2009

Mental health parity was an act initially introduced in Congress in 1996. It requires that mental disorders be treated equally, or on par, with physical disorders. Currently, insurance companies have the right, in many states, to refuse coverage for mental health treatment. For this reason, many people are denied care due to inability to pay, or are forced to spend large sums of money, to the point of bankruptcy in some cases, to obtain treatment. Under mental health parity, insurance companies are required to pay for care, as they do for strep throat, or even cancer.

Federal

For over ten years, there has been a mental health parity bill pending in the federal legislature, which would make it illegal for insurance companies nationwide to place dollar amounts, or limits, on treatment for mental illnesses. The House and Senate had been unable to agree, however, on the terms of the bill. This deadlock reached an end, as they came to a compromise in June 2008, the bill passed in November 2008, and will go into effect in January 2010. The final version of the bill was, indeed, a compromise, as it does call for mental health parity, but there are two major caveats. First, the law leaves the definition of mental health up to individual states and insurance companies. This means that many states can continue to discriminate against individuals with some mental illnesses, and to deny treatment coverage to individuals with eating disorders, or other deadly psychiatric afflictions. If your state does *not* currently require insurance to cover eating disorders, they will likely be allowed to continue to deny those cases. The good news is that state laws about coverage, if more comprehensive than the federal law, will supercede the federal. This means, if your state currently *does* require coverage for eating disorders, it will continue to do so. A second caveat is that although insurance companies will now be required to cover mental health, as they define it, and substance abuse equally with physical health conditions, they are *not required to cover them at all*. The law simply states that *if* a company covers mental health and substance abuse, it must be done on par.

State

As of July 2008, most states have adopted some form of parity (please see state by state list at: <http://www.nationaleatingdisorders.org/programs-events/star-program.php>). Only two states, Alaska and Wyoming, have *no* mandates to prevent insurance discrimination against mental illnesses. Of the 48 remaining states, only 24 have comprehensive parity laws, the others have numerous restrictions. Some limit coverage to only specific insurance plans, or strictly define eligibility. Others require higher premiums and co-payments for mental health treatment than they do for corresponding physical health treatment, or even limit the amount of treatment covered, allowing for only 30 outpatient visits per year,





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for instance. Most states still can discriminate based on illness when it comes to psychiatric problems. Unlike physical problems, not all mental conditions are covered. Eating disorders are illnesses frequently neglected. Currently 23 states include eating disorders in their parity legislation, many of which have restrictions. The chart at <http://www.nationaleatingdisorders.org/programs-events/star-program.php> details the state-by-state coverage.

The Future of Mental Health Parity

NEDA's STAR Program is a nationwide campaign working to improve access to care through grass roots organizing and state by state legislative lobbying efforts. With your help, we can work toward ensuring that no one is denied care for an eating disorder. Contact star@myneda.org for more information about what you can do to help.

