

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 chart). Only two states, Alaska and Wyoming, have *no* mandates to prevent insurance discrimination against mental illnesses. Of the 48 remaining states, only 23 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, 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 25 states include eating disorders in their parity legislation, 8 of which have restrictions. 2 states, Illinois and Massachusetts,

having eating disorder parity pending which will go into effect in the coming year. The accompanying chart 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.

Mental Health Parity Eating Disorder Coverage by State.

Listed in order of most to least comprehensive coverage. Last updated June 2009.

State	Mental Health Parity?	ED Parity?	Bill Number and year enacted	Who it Applies to	Specifications
Oregon	Yes	Yes	2005--SB 1	group plans, mandatory mental health coverage if cover medical and surgical	No limits
Illinois	Yes	Yes	2008--HB 1432	group and individual plans, mandatory mental health coverage if cover medical and surgical	
California	Yes	Yes	2000--AB 88	group and individual plans, mandatory mental health coverage if cover medical/surgical	Subject to authorization by insurer
Minnesota	Yes	Yes	1995--S.F. 845	group and individual plans	inclusive of all coverage if plan includes mental health
Arkansas	Yes	Yes	1997--HB 1525 2001--HB 1562	group and individual plans, state employees excluded	Subject to authorization by insurer
Massachusetts	Yes	Yes	2009--HB4423	group and individual plans, self-insured excluded	60 days inpatient treatment and 24 outpatient visits
Vermont	Yes	Yes	1997-- H.B. 57	group and individual plans, mandatory mental health coverage if cover medical/surgical	residential covered up to 45 days
West Virginia	Yes	Yes	2002--HB 4039		costs not to exceed 2%

Mental Health Parity Eating Disorder Coverage by State.

Listed in order of most to least comprehensive coverage. Last updated June 2009.

Connecticut	Yes	Yes	1999--HB 7032	group and individual plans	
Delaware	Yes	Yes	2000--HB 100		Subject to authorization by insurer residential, inpatient (up to 90 days), and outpatient.
Missouri	Yes, with limits on coverage	Yes,	1997--H.B. 335	group and individual plans	Anorexia, Bulimia, and "other severe eating disorders" covered, as long as they are listed in plan
Georgia	Yes	Yes	1998--S.B. 620	group and individual plans	individual plans 30 days inpatient, 48 outpatient. No limit for group plans, but may have co-pay or deductible not applicable for other conditions (can not exceed physical health)
New Hampshire	Yes with some limits	Yes	2002--H.B. 672	group plans, mandatory with no opt-out	coverage amounts can vary by insurer
Maine	Yes	Yes	2003--HB 973	group plans of 21 and larger	medical necessity
Kentucky	Varies by insurance company	Yes	2000--HB 268	group plans	

Mental Health Parity Eating Disorder Coverage by State.

Listed in order of most to least comprehensive coverage. Last updated June 2009.

Maryland	Yes	Yes	1994--HB 1197	group and individual plans	if deemed medically necessary, inpatient covered, 60 days php, and a percentage of outpatient is reimburseable
Utah	Yes	Yes	2000--HB 35	group plans, all plans have opt-in options at %100, %50, or %0	
Colorado	Yes	Yes	2007--SB07-36	group plans	excludes residential treatment, 45 days inpatient, 90 PHP, 20 outpatient with %50 co-pay, which can differ from physical health
New York	Yes	Yes	2006--Timothy's Law	group plans	30 days inpatient, 20 days outpatient
North Carolina	Yes	Yes	2008--HB 973	group plans, PPO excluded	30 inpatient/outpatient visits per year and 30 office visits.
Washington	Yes	Yes	2005--SHB 1154		No Residential

Mental Health Parity Eating Disorder Coverage by State.

Listed in order of most to least comprehensive coverage. Last updated June 2009.

Indiana	Varies by insurance company	Yes	2003--hb 1135	group plans, only for businesses headquartered in Indiana
Wisconsin	Yes	No		
Wyoming	No	No		
Alabama	Yes	No		
Alaska	No	No		
Arizona	Varies	No		
Virginia	Yes	No		
Pennsylvania	Yes with some limits	No		
Rhode Island	No	No		
South Carolina	Limited eligibility	No		
South Dakota	Yes, with limits on coverage	No		
Tennessee	Varies by insurance company	No		
Texas	Limited eligibility and limited coverage	No		
North Dakota	Yes, with limits on coverage	No		
Ohio	Limited eligibility and limited coverage	No		
Oklahoma	Yes	No		
New Jersey	Limited	No		

Mental Health Parity Eating Disorder Coverage by State.

Listed in order of most to least comprehensive coverage. Last updated June 2009.

New Mexico	Yes	No
Montana	Yes, with limits on coverage	No
Nebraska	Varies by insurance company	No
Nevada	Yes, with limits on coverage	No
Mississippi	Limited eligibility	No
Michigan	Yes, with limits on coverage	No
Iowa	Yes, with limits on coverage	No
Kansas	Limited eligibility and limited coverage	No
Louisiana	Limited eligibility	No
Florida	Yes	No
Hawaii	Yes	No
Idaho	State employees only	No