



Mental Health Parity and Addiction Equity Act

AMERICAN
PSYCHIATRIC
ASSOCIATION



APA Position

The American Psychiatric Association supports full implementation of the Mental Health Parity and Addiction Equity Act (MHPAEA).

MHPAEA requires that insurance coverage for mental health and substance use disorder (MH/SUD) treatment be no more restrictive than insurance coverage for other medical care. It is essential that compliance agencies receive the resources necessary to promote full compliance with the MHPAEA law to ensure equitable treatment and coverage of MH/SUD services.



Background

MHPAEA was signed into law on October 3, 2008. However, over a dozen years later, investigations by state and federal regulators consistently find that insurers and health plans are still not in compliance with the law's requirements about managed care practices. These practices include burdensome practices like prior authorization, narrow provider network design, artificially low reimbursement rate setting, and many others.

In December of 2020, Congress enacted within the Consolidated Appropriations Act (CAA) new provisions that require insurers and health plans to perform comparative analyses showing that they comply with the managed care provisions of MHPAEA. Insurers and health plans must now make these analyses available to state regulators and the U.S. Department of Labor upon request beginning February 10, 2021.

APA commends Congress for taking action last year to ensure greater transparency and accountability regarding MH/SUD treatment coverage by insurers and health plans. However, despite this progress further action is needed so that state regulators can fully implement the new requirements added by the CAA.



Current Status

APA supports legislation that will equip state regulators with the resources they need to collect and review these comparative analyses from insurers. In June 2021, Senators Murphy (D-CT) and Cassidy (R-LA) along with Representatives Cardenas (D-CA) and Brain Fitzpatrick (R-PA) introduced the **Parity Implementation Assistance Act**.

This legislation authorizes \$25 million annually in grant funding for 5 years to state insurance departments for parity implementation. In order to receive a grant, a state must collect and review the comparative analyses insurers are required to perform under the provisions included in the CAA.



Legislative Ask



House: Cosponsor and support the Parity Implementation Assistance Act, H.R. 3753

Senate: Cosponsor and support the Parity Implementation Assistance Act, S. 1962.