Background Information

- People who need mental health or substance use care have been discriminated against when it comes to health insurance coverage. Mental health benefits – if they were included at all – were often more limited and with higher out of pocket costs.
- The federal Mental Health Parity and Addictions Equity Act (MHPAEA) of 2008 requires that coverage of mental health and substance use conditions in health insurance be equal to that for physical health conditions.
  - MHPAEA applies to health insurance plans provided by large employers (50 or more employees).  
- These requirements were expanded in the Affordable Care Act (ACA) to include individual and small group plans.
  - Mental health and substance use disorders were specifically included among the ten Essential Health Benefits (EHBs) that must be included in all plans offered in state or federally facilitated exchanges (marketplaces).

Methodology

- The findings in this report are based on two sources:
  - A survey conducted by NAMI of 2,720 individuals with mental illness or family members;
  - A detailed analysis of 84 health care plans in 15 states provided by Avalere Health.

Report Findings

Although progress is being made, there is a long road ahead to achieve true parity in coverage of mental health and substance use conditions. This conclusion is based on six findings:

1. There are serious shortages of psychiatrists, therapists, and other mental health providers in health insurance networks. These shortages are due to:
   - The overall national workforce shortage of qualified MH professionals;
   - Limited provider networks in health insurance plans and particularly in ACA plans;
   - Fewer than 50% of all psychiatrists accept health insurance.

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1 MHPAEA also applies to Medicaid managed care plans, but the subject of this report is private health insurance.
2. Inpatient and outpatient mental health care is denied by insurance companies at rates more than twice those for other types of medical care.

3. Many health insurance plans limit access to psychiatric medications, particularly antipsychotic medications used in treating schizophrenia and other severe mental illness.

4. Even when they are covered, out of pocket costs (co-pays, deductibles and co-insurance) for psychiatric medications in ACA plans impose serious barriers to care for people living with mental illness, many of whom are low income.

5. Out of pocket costs also impose significant barriers to receiving inpatient or outpatient mental health and substance use care.

6. People with mental health or substance use conditions frequently don’t have access to information needed to make informed decisions about health insurance, particularly in ACA plans. Examples include current provider listings, specific services covered, and clinical criteria used to approve or deny care.

**What Steps Can be taken to Address These Problems?**

1. Strong enforcement of the federal parity law (MHPAEA), including:
   - Easily accessible methods for individuals to report non-compliance;
   - Federal and state monitoring and reporting on non-compliance;
   - Coordination between federal (Dept. of Labor, Dept. of Health and Human Services) and state agencies (Insurance Commissioners, Attorneys General) on enforcement.

2. Insurance companies should be required to publish the clinical criteria they use to approve or deny care.

3. Health plans must publish accurate lists of providers currently participating in ACA plan networks, including mental health and substance use providers. These lists must be updated regularly.

4. Health plans must also publish clear and understandable information about specific plan benefits, including services that are covered in individual plans (e.g. CBT, psychiatric rehabilitation).

5. Congress and the Administration should work together to decrease out of pocket costs in ACA plans for low-income consumers.