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Final Rule for Mental Health Parity Legislation Issued

In a move likely to ensure equal benefits for those suffering from mental illness, the US federal government has issued a final rule on the Mental Health Parity and Addiction Equity Act of 2008.

Issued jointly by the Department of Health and Human Sevices, the Department of Labor, and the Treasury, the final rule will increase parity between mental health/substance use disorder benefits and medical/surgical benefits in group and individual health plans.

"This final rule breaks down barriers that stand in the way of treatment and recovery services for millions of Americans," said Health and Human Services Secretary Kathleen Sebelius. "Building on these rules, the Affordable Care Act is expanding mental health and substance use disorder benefits and parity protections to 62 million Americans. This historic expansion will help make treatment more affordable and accessible."

The American Psychiatric Association (APA) is applauding the move, describing it as "a crucial step forward to ensure that patients receive the benefits they deserve and are entitled to under the law.

"In addition to providing equal benefits for mental illness as physical illness, I am hopeful there will be strong monitoring and enforcement at both state and federal levels," APA president Jeffrey Lieberman, MD, said in a statement.

Passed in 2008, the legislation was the culmination of more than 20 years of advocacy on the part of the APA and other allied organizations. Although an interim final rule was issued in 2010, it did not carry sufficient legislative weight, resulting in "weak and inconsistent application," said Dr. Lieberman.

The final rule issued today implements the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act and ensures that health plan features such as copays, deductibles, and visit limits are generally not more restrictive for mental health/substance use disorders benefits than they are for medical/surgical benefits.

The action also includes specific additional consumer protections, such as the following:

- Ensuring that parity applies to intermediate levels of care received in residential treatment or intensive outpatient settings;
- Clarifying the scope of the transparency required by health plans, including the disclosure rights of plan participants, to ensure compliance with the law;
- Clarifying that parity applies to all plan standards, including geographic limits, facility-type limits, and network adequacy; and
- Eliminating the provision that allowed insurance companies to make an exception to parity requirements for certain benefits on the basis of "clinically appropriate standards of care," which clinical experts advised was not necessary and which is confusing and open to potential abuse.