

Parity Act Leads to Gains in Substance Abuse Treatment, but With Cost Increases



The Mental Health Parity and Addiction Equity Act, which makes it easier to gain access to substance abuse and mental health treatment, has increased care, but at an added cost, a new study concludes.

The additional costs could prevent many people from obtaining treatment, according to *Forbes*.

The act was signed into law in 2008. Most employers began following the new rules in 2011, the article notes. The law requires employers offering mental health and substance abuse services to offer those services at the same level as other health-related services. The Health Care Cost Institute study found there was a 19.5 percent increase in hospital admissions for substance abuse treatment in 2011, compared with a 11.8 percent rise from 2009 to 2010.

In contrast, medical and surgical hospital admissions decreased 2.3 percent in 2011, the study found. The average total price paid by an employer and employee for a substance abuse admission in 2011 was \$7,230. The employee's share of out-of-pocket costs was \$889, or 12 percent of the total. For an average medical/surgical admission, patients paid 4 percent of the share of out-of-pocket costs.

"While it is too soon to understand the full impact of the Parity Act, we need to be looking carefully to make sure we understand why these hospital out-of-pocket payments may be growing at a faster pace than medical spending," Health Care Cost Institute executive director David Newman said in a news release.