

**The Paul Wellstone and Pete Domenici
Mental Health Parity and Addiction Equity Act of 2008
H.R. 1424-117**

Mental health parity was included as a provision in the Emergency Economic Stabilization Act which was enacted on October 3, 2008.

The bill does not apply to small group and individual health plans.

- The bill applies to all group health plans with 51 or more employees.

The bill does not define mental health disorder or substance use disorder. The bill does not specify certain diagnoses that must be covered.

- The bill allows employers and states to define the scope of "mental health services." The original House bill required plans that cover mental health services to cover treatment of all diagnoses in the Diagnostic and Statistical Manual of Mental Disorders. That provision was removed.

The bill does not require insurers or employers to provide coverage for mental health or substance use disorders.

- The bill requires that ***IF*** an insurer or large group employer provides coverage for mental health services, they must apply cost-sharing requirements (deductibles, co-payments, coinsurance) and treatment limitations (limitations on the frequency of treatment, number of visits, etc) to mental health services that are no more restrictive than those applied to medical and surgical benefits.
- The bill would also require that ***IF*** an employer or insurer provides coverage of medical and surgical services provided by out of network providers, it must do the same for mental health services.
- State mental health parity laws that are stronger are not preempted by federal law.

Opt-Out Provision

- The bill would allow employers and insurers to opt out of the bill's provisions for one year if it is determined that their costs increase by 2% in the first year the requirements are in effect or by 1% in subsequent years. Such determination must be made after the plan has complied with parity for 6 months, and the determination must be made and certified by a qualified and licensed actuary.

Sources: NAIC and Mental Health America