Headlines from the Hill

Congress considers mental health parity legislation

By Michelle M. Artz, MA

Legislation under consideration in the U.S. House and Senate would require group health insurers to cover mental health care at the same level as physical health care. As introduced, S. 558, "The Mental Health Parity Act of 2007," and H.R. 1424, "The Paul Wellstone Mental Health and Addiction Equity Act," take slightly different approaches, but both bills aim to end long-standing insurance discrimination and remove barriers to care for those facing mental illness.

While neither bill mandates insurance coverage of mental health care, the bills would prohibit insurers that offer mental health benefits from imposing more restrictive financial requirements (such as deductibles, co-payments, and annual and lifetime limits) or treatment limitations (including limits on treatment frequency, number of visits, and length of stay) than those applied to medical and surgical coverage.

In addition, another bill, H.R. 1663, "The Medicare Mental Health Modernization Act," introduced in the House, would tackle mental health parity within the Medicare program. Taken together, these bills offer hope for major progress on mental health parity in the 110th Congress.

Currently, insurers who cover mental health commonly apply stricter limits and higher co-payments on mental health coverage. The Mental Health Parity Act of 1996 established a more limited form of parity, stating that annual or lifetime limits on mental health benefits may be no lower than similar limits on medical or surgical benefits. With this existing mandate set to expire this year, and a clear need for more defined protections, it's important that Congress pass mental health parity legislation this session.

S. 558 and H.R. 1424: Differences and impact

S. 558, introduced by Sens. Peter Dominici (R-NM), Edward Kennedy (D-MA), and Michael Enzi (R-WY), was approved by the Senate Health Education Labor and Pensions Committee on February 14 by a vote of 18-3. H.R. 1424, named after the late Senator Paul Wellstone, who championed parity legislation prior to his death in a plane crash in 2002, was introduced on March 9 by Reps. Patrick Kennedy (D-RI) and Jim Ramstad (R-MN). Both bills have strong co-sponsorship.

The major differences between the bills center on two main areas: the definition of mental illness, and the impact on existing state laws. As currently drafted, the Senate bill does not explicitly define what mental conditions or diagnoses an insurer must cover, instead leaving employers and insurers to negotiate and establish which mental health benefits they will include in the terms of the plan coverage. In contrast, the H.R. 1424 would define a "minimum scope of coverage," requiring group health plans that offer mental health benefits to provide coverage for the same range of mental illnesses and addictions covered by the federal employee health benefit plan (FEHBP) with the highest enrollment. Because FEHBP uses the DSM-IV (*Diagnostic and Statistical Manual of Mental Disorders*, 4th ed.), which is used by the mental health profession to define mental health conditions and diagnoses, the House bill firmly establishes the definitions of mental health benefits.

The original drafts of the two bills also would have vastly different impacts on the laws in 42 states that have existing mental health parity laws. S. 558 explicitly states that the act "shall supercede any provisions of State law" that differ from the standards set forth in the bill. Rather than overriding state laws, H.R. 1424 includes language protecting state laws that offer greater benefits, access, rights, or protections than those set forth in the bill.

H.R. 1663

While mental health parity has been a topic of conversation for years, many believe that there is hope for real negotiation and movement on the issue. Rep. Pete Stark (D-CA), with Reps. Kennedy and Ramstad as co-sponsors, has also introduced H.R. 1663, "The Medicare Mental Health Modernization Act." The bill, which has 12 additional co-sponsors to date, would require mental health parity in the Medicare program by reducing the co-payment for outpatient mental health benefits from 50% to 20% (the rate charged for most physical health services), and by eliminating a 190-day limit on inpatient mental health treatment.

ANA is committed to ensuring access to quality health care for all and has expressed support for H.R. 1663 as well as both the House and Senate parity bills. ANA will work to advance mental health parity legislation that makes a real difference in the lives of those facing mental illness. ★

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