

EDITOR'S NOTE: Sen. Cardin writes periodic columns for Maryland publications. The following column about the need for equal insurance coverage for mental health may be of interest to your readers. Please contact Susan Sullam at susan_sullam@cardin.senate.gov if you have any questions.

PRECEDENCE: Senator Cardin is a member of five committees: Foreign Relations, Judiciary, Environment and Public Works, Budget, and Small Business and Entrepreneurship. His web site is: cardin.senate.gov

MENTAL HEALTH PARITY BILL PROVIDES MARYLANDERS ACCESS TO CRITICAL
MENTAL HEALTH BENEFITS

By U.S. Senator Benjamin L. Cardin

Congress recently took an important step toward ensuring that those in need of mental health and substance abuse services receive access to the treatment they need. On October 3, the bipartisan ***Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008*** became law as part of the economic recovery package enacted by Congress.

This important new law mandates that group health plans with 50 or more employees that cover treatment for mental illness or substance abuse must provide benefits equal to those for physical illnesses. This means equity in all financial requirements – deductibles and co-payments – and it also provides equity in treatment limitations, such as frequency of treatment, number of visits, days of coverage, etc.

For decades, health insurers paid for treatment of physical illnesses at 80% or 100%, but only covered mental health services at 50% or less. As a result of these discriminatory policies, patients who could not afford the higher co-payments had to forgo necessary care.

As a longtime advocate for parity and an original co-sponsor of this year's Senate bill, I am proud to have helped end discrimination against mental health services that has limited treatment options for more than 2.7 million Marylanders and 113 million Americans nationwide.

Almost half of all Marylanders will benefit from the updated mental health parity law, including those covered by self-insured ERISA plans, approximately 500,000 Medicaid Managed Care enrollees, and more than 130,000 children covered by the Maryland Children's Health Program. In July, Congress eliminated discrimination against outpatient mental health services for 43 million seniors through the ***Medicare Improvements for Patients and Providers Act of 2008***.

The new law, which goes into effect on January 1, 2010, amends the landmark ***1996 Mental Health Parity Act***, which I supported. Championed by the late Senator Wellstone and Senator Domenici, the 1996 law prohibited health plans from setting annual or lifetime dollar limits on mental health benefits that were more restrictive than the limits for other services. Insurers circumvented that law by charging higher co-pays and setting lower limits on the number of outpatient visits and hospitalizations for mental health-related services. The new law bans this practice.

Additionally, thanks to the new law, group health plans that provide out-of-network coverage for medical benefits must provide out-of-network coverage, at parity, for mental health and substance abuse benefits. This additional requirement will help to guarantee that patients can receive care from the providers of their choice, rather than being limited to those preferred by the health plan.

The 2008 law backs up its mandates with important oversight. The Secretary of Labor and the Government Accountability Office (GAO) must report to Congress on compliance with the law to ensure that health plans are truly providing equal coverage.

Congress still has much work to do to reform our health care system to guarantee access to affordable, comprehensive coverage. But the ***Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008*** is a significant step toward providing millions with access to needed mental health and substance abuse treatment.

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