

## Parity Facts

### The Law

- The Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 requires equal coverage of mental health and substance use disorder benefits – both as written in health plans and as delivered in practice – with other medical care.
- The Affordable Care Act extended the Parity Act by guaranteeing insurance coverage for persons with pre-existing mental health and substance use disorders and by requiring coverage of mental health and substance use disorder benefits as an essential health benefit at parity with other medical benefits.
- Maryland has its own state parity legislation that requires coverage of a continuum of mental health and substance use disorder services, including medication assisted treatment and residential care, in compliance with the federal Parity Act.

Still, too many Marylanders do not receive equitable coverage for these prevalent disorders:

- Maryland has experienced a 119% increase in deaths from drug intoxication over three years due to opioid overdose.
- Suicide rates in Maryland increased by 14% from 2012 to 2017.
- Nearly 70% of individuals confined in Maryland jails have a substance use disorder and nearly 40% have a mental health disorders, most of whom (89%) also have a substance use disorder.

Marylanders with employer-based health insurance pay higher out-of-pocket costs for mental health and substance use disorder care than for other medical services because health plan networks are inadequate, and mental health and substance use disorder providers are reimbursed at lower levels than other medical providers.

The Maryland Insurance Administration and Maryland Department of Health have taken important steps to enforce federal and state parity laws. However, many trouble spots remain related to **how insurers design and apply their managed care practices**, such as prior authorization requirements, step therapy, and requirements for providers to join an insurer's network. Often, insurers design and apply these managed care techniques in ways that are **more restrictive for mental health and substance use disorder treatment** than for other medical treatment, which violates the Federal Parity Law.