Minnesota Psychiatric Society

Improving Minnesota's mental health care through education, advocacy and sound psychiatric practice

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PARITY – The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA or Parity Law) requires equity in the insurance coverage of mental health and substance use disorder care, but years later mental health parity is still not a reality. The basics have been addressed with equal co-pays, deductibles, and lifetime limits, but true equity depends on:

Non Quantitative Treatment Limits (NQTLs)

- **LONGER WAIT TIMES:** Secret shoppers only got in-network initial psychiatric appointments 21.33% of the time – and none in less than 2 weeks.
- **NOT ENOUGH *IN-NETWORK* PSYCHIATRISTS:** Out of Network mental health & substance use disorder office visits were 4.8 – 5.1 higher than for physical illness visits, and 3.6 to 3.7 times higher than for other specialist office visits
- **GAPS IN SERVICES:** Inpatient psychiatric patients wait 2-3 weeks to transfer to post acute care group homes/IRTS). Medical transfers usually happen when therapeutically directed – Within 1 day.
- **MORE ADMINISTRATIVE BURDEN:** Regions Hospital Inpatient psychiatrists spend 10 hrs/week on authorizations, Hospitalists: 2 hrs / wk. Patients in residential facilities for substance use disorders needing authorizations for treatment every 3-10 days.
- **UNEQUAL REIMBURSEMENT RATES:** Minnesota psychiatric payment levels for office visits were 40.2% to 59.3% *lower* than for comparable primary care office visits – one of the highest reimbursement rate discrepancies in the nation. *(Milliman)* For example, the same service, primary care got $100 compared to $41.70 – $60.80 for psychiatry.

MINNESOTA RANKING – According to the Milliman Report, and confirmed with subsequent studies, measurements for access show Minnesota is not measuring up.

- **Minnesota has one of the highest reimbursement rate discrepancies in the nation**
- **Minnesota has one of the highest out-of-network utilization rates for behavioral health care**
- **Lack of parity shifts costs to taxpayer-funded programs**

  In 2014, mental health care accounted for just 5.1% of private insurance spending whereas it accounted for 16% of state and local government health care spending.

HEALTH PLAN ACCOUNTABILITY – Despite federal and state law, Mental Health Parity is still not being enforced. We must hold health insurance plans accountable to comply with the letter and spirit of the law.

- **We strongly support mandated annual reporting by health plans** to the appropriate agency (Department of Commerce, Department of Health, Department of Human Services)
- **Reports should compare psychiatry and med/surg as percentages to accurately reflect data per patient:**
  - Prior authorizations for services and medications,
  - Prior authorization denials for services and medications,
  - Appeals for services and medications
  - Delays for services and medications resulting from appeals process
  - Average wait time for initial and follow-up care.
- **The plans already collect the data and would only be organizing and submitting it in a format useful for state reviewers.**