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April 1, 2015

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Mental Health Care: NAMI Report Finds Insurance Discrimination, Lack of Transparency under Parity Laws

Better comprehensive mental health care needed for Maryland's most vulnerable

BALTIMORE, MD – Health insurance plans are falling short in coverage of mental health and substance abuse issues, according to a report issued today by the National Alliance on Mental Illness ([NAMI](#)). The report, based on a survey of 2,720 consumers and an analysis of 84 insurance plans in 15 states including Maryland, finds that a lack of providers continues to cause problems for patients in need of care.

The federal "[parity](#)" law enacted in 2008 requires mental health benefits in some insurance plans to be provided on the same terms as other medical care. Coverage was also expanded under the Affordable Care Act (ACA) in 2010. Similarly, state law in Maryland mandates certain benefits for mental health and addiction care that are comparable to the federal parity standard.

"Despite the federal and state parity laws, discrimination still exists toward mental health and substance use conditions," said **NAMI Executive Director Mary Giliberti**. "Progress is being made, but there is still a long road ahead. NAMI's report identifies areas where insurance companies need to improve and greater scrutiny is needed."

NAMI Maryland Executive Director Kate Farinholt added, "Maryland has the potential, more than ever before, to deliver better, comprehensive mental health care to Marylanders who have previously been unable to access or afford insurance. It is our hope that state and federal policymakers will use this report as a tool to make the goal of parity a reality and improve access to mental health and substance use disorder care."

The report findings include:

- A lack of mental health providers is a serious problem in health insurance networks.
- Nearly a third of survey respondents reported insurance company denials of authorization for mental health and substance abuse care. For ACA plans, denials were nearly twice the rate for other medical care.
- Barriers exist for [mental health medications](#). More than half of health plans analyzed for the report covered less than 50 percent of the costs of anti-psychotic medications.
- High out-of-pocket costs for prescription drugs appear to discourage people from participating in both mental health and other medical treatment.
- High co-pays, deductibles and co-insurance rates create further barriers to treatment.

- There is a serious lack of information about mental health coverage to enable consumers to make informed decisions in choosing health plans.

The report is based on the “Coverage for Care” survey of 2,720 individuals with [mental illness](#) or their family members. Survey results were supplemented by an analysis of 84 health insurance plan drug formularies in 15 states conducted by Avalere Health.

The report makes recommendations to improve access to care:

- Stronger enforcement of the 1993 Maryland Parity law and the 2008 Federal Parity law is needed, including establishing easily accessible procedures for filing complaints.
- Insurance companies should be required to publish the clinical criteria used to approve or deny mental health and medical-surgical care.
- Health plans should be required to publish accurate lists of providers included in their networks and to update them regularly.
- The U.S. Department of Health and Human Services (HHS) should require all health plans to provide clear and understandable, yet detailed information about benefits and to make this information easily accessible.
 - The Maryland Insurance Commission (MIA) should work to make the same happen in Maryland.
- HHS should develop tools to help consumers compare plans prior to enrollment.
 - Maryland should lead the charge to help Maryland consumers compare plans before enrollment.
- Congress and the executive branch must work together to decrease out-of-pocket costs under the ACA for low-income consumers.
 - Maryland should also work to decrease out-of-pocket costs for low-income consumers.

For more information about the report and to view the video and infographic, visit:

www.nami.org/parityreport

About NAMI

[NAMI](#) is the nation's largest grassroots mental health organization dedicated to improving the lives of individuals and families affected by mental illness. Like NAMI on [Facebook](#) and follow NAMI on [Twitter](#).

About NAMI Maryland

[NAMI Maryland](#) is the NAMI state organization in Maryland. The mission of NAMI Maryland is to improve the quality of life for individuals with severe mental illnesses and their families. We are dedicated to providing education, support and advocacy for persons with mental illnesses, their families and the wider community. Like us on [Facebook](#) and follow us on [Twitter](#).

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