

In the Spotlight: Mental Health Parity, the ACA, and Disabilities

Over the last 20 years, many steps have been taken to ensure access to necessary health benefits for those with disabilities. In the past, people with disabilities that can secure health insurance coverage sometimes found the premiums unaffordable or the benefits limited. The term “disabled” continues to encompass more and more people; 2010 [census data estimates](#) that 19% of Americans have a disability as defined by having an impairment that substantially limits one or more of life’s major activities. For North Carolina, it has been [estimated](#) that almost 17% of people over the age of 5 have a disability. A primary goal for the Americans with Disabilities Act (ADA), Mental Health Parity and Addiction Equity Act (MHPAEA) and the Affordable Care Act (ACA) was to extend meaningful, affordable coverage to all people, including those with mental or physical disabilities. The process of extending coverage has been long and began in 1996 with the federal [Mental Health Parity Act](#). This act required that the annual and lifetime dollar limits on mental health be no lower than the dollar limits for medical and surgical benefits offered in a group health plan. Many people living with disabilities soon recognized that this Act, while a step in the right direction, did not meet the need for covered benefits and access to insurance.

Americans with Disabilities Act

The Americans with Disabilities Act of 1990 (ADA) extended legal protections to people with disabilities. The legal protections are similar to the Civil Rights Act of 1964, which prohibited discrimination based on race, religion, gender, national origin, and other characteristics. In 2008, the ADA protections were extended by the ADA Amendments Act (ADAAA) which became effective on January 1, 2009. The ADAAA clarified and expanded the scope of the term “disabled” and broadened the employment-related protections in the original ADA. The ADA was a significant step toward recognizing the prevalence and needs of people with disabilities.

Mental Health Parity and Addiction Equity Act

In 2007, the North Carolina General Assembly passed House Bill 973, Mental Health Equitable Coverage, which is also commonly referred to as Mental Health Parity. The state law mandated that all group insurance offer full coverage for nine severe mental health conditions: bipolar; major depressive disorder; obsessive compulsive disorder; paranoid and other psychotic disorder; schizoaffective disorder; schizophrenia; post-traumatic stress disorder; anorexia nervosa; and bulimia. All other conditions listed in the Diagnostic and Statistical Manual of Mental Disorders must have coverage of no less than 30 office visits and 30 inpatient/outpatient days per year.

In 2008, the federal Mental Health Parity and Addiction Equity Act ([MHPAEA](#)) was signed into law. MHPAEA largely supplemented the Mental Health Parity Act. MHPAEA required that group plans have the same financial requirements (co-pays, deductibles, etc) and treatment limitations be no more restrictive for mental health and substance abuse treatment than those offered for medical and surgical benefits. Although MHPAEA provides significant protections for individuals with mental and substance abuse issues, it does not require that health insurers or employers provide mental health and substance abuse benefits. Only if the plan chose to offer mental health and substance abuse benefits would it need to comply with MHPAEA. Recognizing the financial impact of offering the coverage, Congress did not apply the mandate to employers with less than 50 employees.

Affordable Care Act

ACA made huge strides toward connecting individuals with disabilities to health care coverage and access to care. One of the most highly publicized facets of the law is a requirement that insurance companies cover everyone, regardless of health status, and not charge higher premiums based on pre-existing conditions beginning in 2014. Lifetime and annual dollar limits are prohibited entirely (in 2010 and 2014, respectively) and there are new limits on annual cost sharing (\$2,000 for individuals and \$4,000 for families, beginning 2014). In 2010, ACA mandates that all plans cover “[essential benefits](#),” that are being developed

by the Institute of Medicine to make recommendations for the US Department of Health and Human Services (HHS). The law also encourages community- and home-based services so that people with disabilities can receive needed services but be able to stay in their homes.

ACA makes additional changes to the health care system that benefits people with disabilities. For instance, beginning in 2010, Medicare beneficiaries, [6.7 million](#) of whom are disabled, were given more robust benefits and more consistent [prescription drug coverage](#). Medicaid eligibility is expanded to cover families and childless adults up to 133% of the federal poverty and it extends Early, Periodic, Screening, Diagnosis, and Treatment (EPSDT) mandates to all children on Medicaid. EPSDT services address developmental disabilities and delays. Since many people with disabilities have low or very modest incomes, this Medicaid expansion will give many more people with disabilities the right to health care coverage.

These provisions, along with several others in ACA, will help significantly extend benefits to those with mental and physical disabilities.

BCBSNC Views

Blue Cross and Blue Shield of North Carolina knows that one size does not fit all when it comes to the healthcare of a population as diverse as the state of North Carolina. To make sure we're meeting the needs of all members, teams throughout our company focus on developing products and programs that address the unique needs of our members. We support extending health insurance coverage to all individuals. BCBSNC strongly supports the treatment of mental illness and the expansion of mental health coverage. We were the only insurance company to support the passage of the state's mental health parity bill that passed in 2007. This built upon our practice of requiring our small employers to provide mental health benefits. However, we strongly support an individual mandate to accompany other provisions and ensure affordable coverage is accessible to everyone.

For More Information

HealthCare.gov: People with Disabilities: <http://www.healthcare.gov/foryou/disabilities/>

AskBlue Health Care Reform: <http://www.disabled-world.com/news/america/healthcare/askblue.php>

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