

Proposed Regulations Regarding Mental Health Parity and Addiction Equity Act Requirements

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PRACTICES Employee Benefits and Executive Compensation

The Departments of Labor, Treasury, and Health and Human Services recently published proposed rules (“**Proposed Rules**”) that, if adopted, will impose additional requirements on group health plans and issuers with respect to the Mental Health Parity and Addiction Equity Act (“**MHPAEA**”). Employers should consider the possible impact on their group health plans.

The Proposed Rules provide that non-quantitative treatment limitations (“**NQTLs**”), defined as “non-numerical requirements that limit the scope or duration of benefits, such as prior authorization requirements, step therapy requirements, and standards for provider admission to participate in a network, including methodologies for determining reimbursement rates,” can be no more restrictive as applied to mental health and substance use disorder (“**MH/SUD**”) benefits than to medical and surgical (“**M/S**”) benefits. Furthermore, plans and issuers that impose NQTLs on MH/SUD benefits would be required to follow similar steps that apply when assessing parity with respect to financial requirements or quantitative limitations. Plans and issuers must also collect, evaluate, and consider “the impact of relevant data on access to [MH/SUD] benefits relative to access to [M/S] benefits . . . and subsequently take[] reasonable action as necessary to address any material differences in access shown in the data to ensure compliance with MHPAEA.”

The Proposed Rules also codify the requirement that plans and issuers “conduct meaningful comparative analyses” to assess the impact of NQTLs and share the results with applicable state authorities upon request. For plans subject to ERISA, the comparative analysis would be required to include a fiduciary certification.

These proposals are intended to ensure plan and issuer compliance with the mental health parity rules and to remove barriers and administrative burdens for participants seeking behavioral health treatment.

If finalized, the Proposed Rules will be effective for the 2025 plan year. The Proposed Rules are available [here](#).