



State Snapshot on Parity Implementation

WASHINGTON

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Profile #4

OVERVIEW

The Parity Implementation Coalition (PIC) circulates promising practices in state implementation of The Mental Health Parity and Addiction Equity Act (MHPAEA) and parity provisions of the Affordable Care Act (ACA). In this edition we cover Washington State. We interviewed Andrea Philhower, Health and Disability Forms Manager in the Office of the Insurance Commissioner's (OIC) Rates and Forms Division and Mandy Weeks, Staff Attorney for OIC.

Need Help Understanding your new rights under the Federal Parity Law? Click [HERE](#)

See page 92 of PIC's Resource Guide (see [HERE](#)) for how to complain if you think your health plan has violated



Parity Implementation Coalition

Coalition members include: American Academy of Child and Adolescent Psychiatry, American Psychiatric Association, American Society of Addiction Medicine, Depression and Bipolar Support Alliance, Faces and Voices of Recovery, Hazelden Betty Ford Foundation, MedPro Billing, Mental Health America, National Alliance on Mental Illness, National Association of Addiction Treatment Providers, National Association of Psychiatric Health Systems, Teen Screen, The Watershed Addiction Treatment Programs, Inc.

PROMISING PRACTICES

- 1) Engage Insurance Commissioner's office in discussion on parity compliance regulations
- 2) Use market conduct surveys to monitor compliance
- 3) Use feedback from coalitions to serve as an early warning system for compliance problems



OVERVIEW

The Parity Implementation Coalition (PIC) circulates promising practices in state implementation of The Mental Health Parity and Addiction Equity Act (MHPAEA) and the parity provisions of the Affordable Care Act (ACA).

For our fourth profile, we interviewed Andrea Philhower, Health and Disability Forms Manager in the Washington State Office of the Insurance Commissioner's (OIC) Rates and Forms Division and Mandy Weeks, Staff Attorney for OIC who works on health insurance issues.

1) Would you say Washington is actively implementing the Mental Health Parity and Addiction Equity Act?

Ms. Philhower & Ms. Weeks: Yes, the Insurance Commissioner's office has issued parity requirements in 2012 and 2014. We are pleased to hear we are viewed as a "pace car" state and are proud to learn we are towards the front of the pack in regard to mental health and substance use parity issues.

In addition to the federal MHPAEA law, Washington issued its own Mental Health coverage statute in 2010 (see [here](#)) which requires all health plans that include medical and surgical services to also cover mental health and addiction services. The law also prohibits any cost-sharing for mental health and substance use disorder (MH/SUD) services from exceeding cost-sharing for medical and surgical services, and requires that prescription drugs for MH/SUDs must be covered to the same extent and under the same terms and conditions as other prescription drugs. Our law is stronger than the federal parity law as it is a mandate for MH/SUD coverage.

2) Has Washington issued any guidance for implementing MHPAEA?

Ms. Philhower & Ms. Weeks: Yes, in 2012, we issued a rule (see [here](#)) to clarify how insurance companies ensure they are delivering mental health and substance use disorder services on par with medical and surgical benefits. These regulations give us better tools to measure if insurance companies are delivering their mental health services correctly.

We developed another rule in 2014 (see [here](#)) that aligns state and federal mental health parity laws and creates clear standards or formulas for health insurers to show us how they're delivering mental health services fairly. The Insurance Commissioner's office reviews all health plans for compliance with MHPAEA and state requirements. The plans have to be compliant for us to forward them to the Exchange for certification.

In addition, we respond to every comment on proposed rules. Because of the commenting periods on our two sets of mental health parity rules, there has been significant dialogue back and forth between state policymakers and insurers, advocates and providers.

3) Is Washington auditing plans or taking any enforcement action against non-compliant plans?

Ms. Philhower & Ms. Weeks: The Commissioner has disciplined and issued fines to insurance companies, agents and brokers who violated state insurance regulations, but we have not seen any specific fines levied on plans due to parity violations. In lieu of audits, the OIC's Rates and Forms division conducts front end review of every plan's MH/SUD benefits and on the back end we do market conduct oversight.

Although no official enforcement actions for parity violations have been made, the Commissioner has made several press statements on the topic (for examples, see [here](#) and [here](#)).

4) What have been the biggest challenges Washington has faced as parity and parity provisions in the ACA have been implemented?

Ms. Philhower & Ms. Weeks: One problem is that there are issues with contracting between providers and issuers, and since the Commissioner does not get involved in contracting issues there are sometimes complaints against payment practices and network adequacy requirements that we cannot resolve. We do not have an "any willing provider" requirement in our state.

Another challenge our team deals with is that, when we look at the health insurance policies, it can be complex and difficult to identify a disparity between medical/surgical and MH/SUD benefits. For example, sometimes it looks like MH/SUD and medical benefits are the same, but in practice, there is actually an additional hurdle or process for the MH/SUD patient that is not apparent on the surface of the policies. This also happens the other way around, such as different co-pays for certain medical and MH/SUD office visits. On the surface, this looks disparate. But MH/SUD providers are not categorized as “primary care providers” and “specialists”, like medical/surgical providers are.

5) What resources have been most useful to you as these laws have been implemented in your state?

Ms. Philhower & Ms. Weeks: What was most helpful to us was 1) the Federal regulations and 2) other states’ activities and the regulations produced by the regulation writers in those states. A challenge for us in writing the state parity law and regulations was the requirement to put everything in “regular” speak or layman’s terms in order to make the law transparent. Since we are lawyers it is often difficult to move away from technical language, but we feel layman’s speak makes the law accessible for the consumer.

6) What resources would be useful to you to improve implementation of the laws in your state?

Ms. Philhower & Ms. Weeks: In general I wish that the Federal regulators would give states more guidance in writing. The conference calls and webinars can only go so far. Also when federal regulators issue guidance, it would be wonderful if the guidance was in one place, such as a link to federal guidance specific to each law, like “Guidance Issue In MHPAEA.”

7) Did your state establish a coalition to request parity implementation?

Ms. Philhower & Ms. Weeks: Yes, there are more than one. Coalition feedback allowed us to get a bird’s eye view of what was happening on the ground and has served as an early warning indicator of noncompliance.

8) Have you collaborated with other states on their parity implementation?

Ms. Philhower & Ms. Weeks: Yes.

9) Have you received funding to assist with implementation of these laws? If so, from what source?

Ms. Philhower & Ms. Weeks: No, we use existing staff to write and monitor our parity requirements.

10) Have you noticed improvement in access to behavioral health care as a result of these changes?

Ms. Philhower & Ms. Weeks: That is the hope but it is too early to tell.

11) Would you be willing to take calls from other states to provide them with additional information on your state’s best practices?

Ms. Philhower & Ms. Weeks: Yes, although they may also want to speak with a member of our policy division. We can direct them to the appropriate person. We can be reached at MandyW@oic.wa.gov and AndreaP@oic.wa.gov.

12) Would you be willing to potentially participate on a webinar with other states to share your best practices?

Ms. Philhower & Ms. Weeks: Yes.