



NAADAC 2021
Advocacy in Action
Conference & Virtual Hill Day

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A Virtual Experience

Substance Use Disorder and Mental Health Parity

Parity: *If a health plan offers a mental health (MH) or substance use disorder (SUD) coverage benefit, it must be no more restrictive than the medical benefit the beneficiary is entitled to. Parity does not mandate a plan to offer MH and/or SUD treatment benefit, only to make it no less than what is offered regarding the medical benefit.*

The ***Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008*** mandates parity, but it has not been adequately enforced or regulated, causing many individuals with a SUD to not receive needed treatment.

Why Should the Federal Government Take a Role in This Issue?

Market forces become "market failures" when addressing a disease mired in stigma and discrimination. NAADAC believes that a federal law is appropriate to correct the current market failure that places an unfair burden on American taxpayers who must pay for the social consequences of insufficient coverage. The burden on the family is immense and with little support for treatment, we often see the person with a SUD and their family members use more community resources to battle the consequences of the disease.

If SUDs (including alcohol and nicotine) are not treated, the consequences of addiction only increase, resulting in high costs in other areas of the public and private systems. When insurance coverage is inadequate, most families lack personal resources to pay for treatment. They turn to the public system which fund federal, state, county, or city treatment programs with taxpayer dollars. In addition, untreated SUD impacts our health systems through alcohol- and drug-related injuries and diseases such as cirrhosis, fetal alcohol syndrome, AIDS, stroke, hepatitis C, and cancer. Costs are also passed on to the criminal justice system, where high numbers of individuals with substance use issues make up our prison populations. As addiction progresses and treatment is unavailable costs skyrocket in loss of productivity in the workplace, harm to families, and other societal impacts and losses.

What Can Congress Do?

NAADAC supports strengthening parity laws and thanks Congress for passing legislation in December to address some of the current parity enforcement gaps. The ***No Surprises Act*** that passed at the end of the 116th Congress included provisions that require group health plans and health insurance issuers offering coverage in the individual or group markets to conduct comparative analyses of the non-quantitative treatment limitations used for medical and surgical benefits as compared to SUD and MH benefits. The legislation also requires the Departments of Health and Human Services, Labor, and Treasury to review these comparative analyses for compliance, issue corrective actions as needed and publish an annual report. NAADAC encourages members to stay engaged with the Administration to ensure the parity provisions in the ***No Surprises Act*** are implemented as quickly as possible.

We are also requesting that lawmakers support the ***Parity Enforcement Act*** ([H.R. 1364](#)). This bipartisan bill was introduced by Reps. Donald Norcross (D-NJ), Brian Fitzpatrick (R-PA), Ann Kuster (D-NH), and Joe Courtney (D-CT) to further expand the Department of Labor's authority to hold health insurers and plan sponsors accountable for offering health plans that violate parity laws. While current laws, regulations, and guidance require insurers to treat SUD and MH the same way they treat medical or physical illness, the lack of enforcement has led to significant gaps in coverage for millions of Americans suffering from these issues.