



CMS NEWS

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CMS finalizes mental health and substance use disorder parity rule for Medicaid and CHIP

Final rule strengthens access to mental health and substance use disorder benefits for low-income Americans

In conjunction with the President's visit to the National Rx Drug Abuse and Heroin Summit, the Centers for Medicare & Medicaid Services (CMS) today finalized a rule to strengthen access to mental health and substance use services for people with Medicaid or Children's Health Insurance Program (CHIP) coverage, aligning with protections already required of private health plans. The Mental Health Parity and Addiction Equity Act of 2008 generally requires that health insurance plans treat mental health and substance use disorder benefits on equal footing as medical and surgical benefits.

"The Affordable Care Act provided one of the largest expansions of mental health and substance use disorder coverage in a generation," HHS Secretary Sylvia M. Burwell said. "Today's rule eliminates a barrier to coverage for the millions of Americans who for too long faced a system that treated behavioral health as an unequal priority. It represents a critical step in our effort to ensure that everyone has access to the care they need."

"This rule will also increase access to evidence-based treatment to help more people get the help they need for their recovery and is critical in our comprehensive approach to addressing the serious opioid epidemic facing our nation."

"The need to strengthen access to mental health and substance use disorder services is clear," said Vikki Wachino, Deputy Administrator of CMS and Director of the Center for Medicaid and CHIP Services. "This final rule will help states strengthen care delivery and support low-income individuals in accessing the services and treatment they need to be healthy."

The protections set forth in this final rule will benefit the over 23 million people enrolled in Medicaid managed care organizations (MCOs), Medicaid alternative benefit plans (ABPs), and CHIP. Currently, states have flexibility to provide services through a managed care delivery mechanism using entities other than Medicaid managed care organizations, such as prepaid inpatient health plans or prepaid ambulatory health plans. The final rule maintains state

flexibility in this area while guaranteeing that Medicaid enrollees are able to access these important mental health and substance use services in the same manner as medical benefits.

Under the final rule, plans must disclose information on mental health and substance use disorder benefits upon request, including the criteria for determinations of medical necessity. The final rule also requires the state to disclose the reason for any denial of reimbursement or payment for services with respect to mental health and substance use disorder benefits.

This is one of our latest efforts to increase access to and improve mental health services and care for low income individuals, especially in light of the opioid abuse epidemic, which constitute significant health risks and cost drivers in the Medicaid program. We introduced several initiatives to assist states with behavioral health system transformation to better meet the needs of beneficiaries with substance use disorders:

- In 2014, CMS launched the Innovation Accelerator Program, a new strategic and technical support platform designed to improve delivery systems for beneficiaries that are high need and high cost. Our first effort in this area was to provide states with expert resources, coaching opportunities and individualized technical assistance to accelerate policy, program and payment reforms appropriate for a robust substance use disorder delivery system.
- In July 2015, CMS issued guidance to states on a new section 1115 demonstration opportunity to develop a full continuum of care for beneficiaries with a substance use disorder, including coverage for short-term residential treatment services not otherwise covered by Medicaid.
- In response to the growing prescription opioid abuse epidemic, CMS recently released information on effective safeguards and options to help address over-prescribing of opioid pain medications.
- CMS disseminated important information regarding screening and early intervention services for children and youth who have or may have a mental illness or substance use disorder, including best practice information for the delivery of medication-assisted treatment as well as services and supports that can address first psychiatric episodes to reduce the likelihood of ongoing hospitalizations, involvement with police and courts, and increase the chances of keeping families intact.

The final rule is currently on display at <https://www.federalregister.gov/public-inspection> and will be published in the Federal Register on March 30, 2016.