



The Affordable Care Act: What's in it for Utahns with Mental Illness or Substance Abuse Issues?

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Background

Mental health is as important as physical health in terms of quality of life as well as lifespan. Too often and for too long, mental health has been left out of the health care coverage equation. It is estimated that more than 25% of adults experience a mental health condition ranging from mild depression to schizophrenia, though fewer than half of these people get any kind of treatment for their condition (1). The trend is similar for children. When treatment is available for mental health and addiction treatment, recovery is the norm. Yet, recovery has been out of reach for so many people facing mental illness or addiction simply because so many are uninsured. For people who *do* have coverage, access to mental health care can be limited to non-existent, and this can be due to pre-existing exclusions or deductibles and cost sharing obligations.

Co-morbidity of people experiencing mental health conditions and medical conditions will be another area that will be impacted by reform. The prevalence of co-morbidity between mental and physical health conditions tends to be the rule and studies suggest that more than two-thirds of adults with a mental health diagnosis have at least one ongoing physical health condition (2). The relationship between physical and mental health conditions is complicated and often bi-directional. Medical conditions can lead to mental health concerns and vice versa. Thus, in addressing either mental health or physical health it is much more efficient and cost effective in terms of long term health outcomes to establish "parity" between mental and physical health. The good news is that the ACA builds on recent progress towards mental health parity.

Progression to Mental Health Parity Predates the ACA

STEP ONE: Mental Health Parity Act

The Mental Health Parity and Addiction Equity Act was passed in 2008 and took effect in 2010. This law states that the mental health and substance abuse benefits offered in insurance packages have to be just as generous as the benefits

Mental Health & Substance Abuse Services as "Essential Benefits"

The ACA has a pointed emphasis on preventive care including many critical services related to mental health treatment and addiction. These services should be available to people with private insurance and Medicare immediately or at plan renewal. These services include:

- **Alcohol Misuse** screening and counseling for adults
- **Depression** screening for adults
- **Tobacco Use** screening for all adults and cessation interventions for tobacco users
- **Alcohol and Drug Use** assessments for adolescents
- **Autism** screening for children at 18 and 24 months
- **Behavioral assessments** for children of all ages
- **Depression** screening for adolescents at high-risk
- **Developmental** screening for children under age 3, and surveillance throughout childhood

For a complete list see www.healthcare.gov.

for medical and surgical treatments⁽³⁾. The law does away with the insurance industry standard of different or discriminatory copayments, deductible schedules and office visit limitations for mental and physical health.

As groundbreaking as the act may be, there are some holes in it. For example, plans are not *required* to include mental health or substance abuse benefits. The law only states that plans that do offer these benefits, have to offer equal benefits. The act also does not apply to small group coverage (companies with under 50 employees) or the individual market—how most privately insured Utahns get their coverage.

STEP TWO: Patient Protection and Affordable Care Act

The Affordable Care Act (ACA) builds on this recent progress towards mental health parity. Some of the provisions in the new law apply specifically to the mental health arena; however, many of the general provisions will be especially beneficial to those with mental health concerns.

EXPANDING COVERAGE THROUGH INSURANCE AND MARKET REFORMS

Mental health consumers probably are among the populations with the most to gain from the ACA coverage expansions and insurance reforms that do away with the discriminatory practices of the insurance industry.

- As of September 2010 plans can no longer deny coverage to children with a pre-existing condition—including a mental health diagnosis;
- Insurance can no longer cancel coverage when people become diagnosed and need coverage the most;
- Insurance can no longer set lifetime limits on coverage, meaning that people with chronic conditions will not run out of coverage. Annual limits are being phased out and will be eliminated by 2014;
- “New” plans must offer free preventative care to recipients—including mental health evaluations;
- Plans must continue to offer coverage for dependents until the age of 26;
- Medicare beneficiaries are seeing rebates (\$250) and prescription drug discounts to help close the ‘doughnut hole’ or gap in coverage for medications;
- In 2014 adults will no longer be denied coverage due to pre-existing conditions, nor can they be charged higher premiums based on prior health status;
- Until 2014, adults with pre-existing conditions can gain coverage through a state or federal high risk pool, the Pre-existing Condition Insurance Pool (link to the state pool: <http://www.insurance.utah.gov/hiputah/index.html>; link to the federal pool, which is operated by SelectHealth in Utah: <http://www.healthcare.gov/law/provisions/preexisting/states/ut.html>);
- States or the federal government will set up exchanges (or insurance marketplaces) by 2014...
 - Insurance plans sold on the new exchanges will have to meet an “[Essential Benefits](#)” standard, which encompasses mental health, behavioral health, and substance abuse

treatment as well as rehabilitative services and prescription drug coverage. This standard should fill in most of the gaps left by the Mental Health Parity Act;

- Premium subsidies will be available to help people buy insurance on the Exchange up to 400% of the poverty level;
- Individuals and small businesses will be able to ‘pool risk’ in the exchanges, allowing for lower premiums.

EXPANDING COVERAGE THROUGH MEDICAID EXPANSION

- Under the ACA, Medicaid eligibility will be expanded to everyone under 133% of the FPL starting in 2014. This is most notable for childless adults who have generally been ineligible for Medicaid coverage. Individuals with an annual income of about \$14,400 will find themselves eligible for Medicaid—and Utah’s Primary Care Network will disappear into the history books;
- Medicaid coverage options are required to have mental health insurance parity for those newly eligible for Medicaid;
- Under the ACA, Medicaid can no longer exclude benzodiazepines and barbiturates as treatment options;
- Starting in 2013, primary care providers will receive an increased Medicaid payment rate to 100% of Medicare rates, giving consumers better access to care;
- In 2019, full Medicaid coverage will be available to former foster youth up to age 25 if they were in foster care for more than 6 months;
- States must conduct outreach to enroll historically vulnerable and underserved populations for Medicaid and CHIP—including individuals with mental illness.

CARE COORDINATION

The ACA gives states many options to improve overall care coordination. For example, states can permit Medicaid enrollees with at least two chronic conditions or one serious mental health condition to designate their mental health provider as their medical or “health home.” States can also apply for a grant to support co-location of primary and specialty care services in community based mental and behavioral health settings. Another grant option allows community health teams to support primary care practices by facilitating access to mental health and addiction treatment and care management. Finally, the ACA creates new programs to develop shared decisions making tools to facilitate provider and patient collaboration and to better integrate services for *dual eligible* populations (those eligible for Medicare and Medicaid).

OTHER CHANGES TO BENEFIT MENTAL HEALTH CONSUMERS

- Cures Acceleration Network (CAN): A new National Institute of Health program to fund research designed to speed development of high-need medical cures;

- Melanie Blocker Stokes Postpartum Depression Program: A federal initiative on postpartum depression through a public education campaign and new grant program to provide services for people with or at risk for post partum depression;
- Centers of Excellence on Depression: SAMSHA will issue grants to develop innovative interventions for the treatment of depression;
- Comparative Effectiveness Research: A new patient-Centered Outcomes Research Institute to prioritize and fund research on the comparative effectiveness of health care interventions;
- Health Care Workforce Improvements:
 - Primary Care Extension Program to educate primary care provider on chronic disease management , mental health and substance abuse services, and evidence-based interventions;
 - Pediatric Specialty Loan Repayment Program provides incentives to enter critical specialties including child and adolescent mental health and substance abuse treatment;
 - Grants to schools of social work, graduate psychology programs, and professional and paraprofessional training in child and adolescent mental health;
- The CLASS Act: Creates a long-term care insurance program financed by voluntary payroll deductions with cash benefits if adults become disabled or diagnosed with a disabling mental illness;
- Community First Choice Option: A state plan option allowing states to provide community-based services for people with disabilities who earn up to 150% FPL who would otherwise be receiving institutional care.

Conclusion

The new health reform law offers an array of policy improvements and better care options for people with mental health and addiction concerns, starting with expanded access to affordable health insurance coverage; standards for minimum or “essential” benefits that include mental health and substance abuse services; and consumer protections in the insurance market. Under the ACA mental health and substance abuse treatment will become a valid and integrated component of health care through a forthright emphasis on preventive services, better coordination of care between primary care and mental health care providers and care managers, workforce development, and changes to improve the availability and quality of health services.

1. Kaiser Health News (2011). *For People with Mental Health Issues, Care Is Often Elusive*. <http://www.kaiserhealthnews.org/features/insuring-your-health/michelle-andrews-on-psychologists-prescribing-drugs.aspx?referrer=search>
2. Robert Wood Johnson Foundation The Synthesis Project (2011). *Mental Disorders and Medical Comorbidity*. <http://www.rwjf.org/files/research/021011.policysynthesis.mentalhealth.report.pdf>
3. Kaiser Health News (2010). *New Laws Expand Mental Health Coverage*. <http://www.kaiserhealthnews.org/features/insuring-your-health/mental-health-coverage.aspx?referrer=search>