



Mental Health Parity and Addiction Equity Act (MHPAEA) testing

What is MHPAEA compliance?

Ensuring parity between medical/surgical and mental health/substance use disorder benefits to meet MHPAEA requirements for health plans providing benefits to employees.

Mental Health Parity:

Health plans that include mental health and substance use disorder benefits may not impose financial/quantitative and nonquantitative limitations which are more stringent in comparison to medical/surgical benefits.

Using a proven and systematic process, WTW can:

- Evaluate your plans to ensure compliance
- Provide recommended changes to your plans based on the results of the assessment
- Work closely to support you through your Department of Labor (DOL) audits
- Identify areas for risk mitigation
- Prepare to be litigation-ready

Is your benefit plan ready for an audit?
We can make sure the answer is “yes.”

Why this matters: Risks and consequences have increased



DOL enforcement - what happens in the event of an audit?

- The final regulations provide 10 business days for plans to provide a NQTL comparative analysis to the DOL
- If the DOL requests further information, the plan has 10 business days to provide
- Upon an initial finding of insufficiency, the plan has 45 days to respond to the DOL with the action plan
- If DOL makes final determination of noncompliance, plan has 7 business days to notify all plan participants of corrective action plan



What is the litigation risk?

- Large class-action lawsuits and settlements focused on mental health benefits
- Recent 10th Circuit case established the criteria for bringing a MHPAEA case in federal court and many copy cat cases are emerging
- Significant individual lawsuits related to ABA, wilderness therapy residential treatment centers



Can there be fines associated with a violation?

- IRS may impose excise taxes of \$100 per day for each impacted individual
- The plan can be asked to reprocess claims



What happens if a corrective action is issued?

The plan has to notify all participants and follow all the requirements set forth by the DOL



Reputational Risk?

The 2nd Report to Congress named plans that were out of compliance



Complex testing rules preclude clients from “going it alone”

Market-leading expertise that ensures MHPAEA compliance

WTW MHPAEA Assessments

Quantitative Testing



In-patient
in network



In-patient out
of network



Out-patient
in network



Out-patient
out of network



Emergency



Prescription drug

Document Review



SPD's



Member benefit
guides



Disclosures



Other/All docs

Non-Quantitative Testing



Strategy



Process to design
and apply



Criteria



Confirm
comparability



Evidentiary
standards

WTW MHPAEA Assessments: Client Outcomes

Proven expertise supporting clients' MHPAEA needs

WTW has helped more than 45 employers through their DOL MHPAEA audits – abiding within the strict timelines for response.



We combine our expertise in compliance with our deep clinical resources to provide employers with an unmatched solution.



Our analyses, often 100s of pages long, are “sufficiently specific, detailed and reasoned” to help our clients meet DOL needs.



WTW has assisted using the operational data from vendors to tell the critical narrative illustrating compliance. Especially when clients have multiple vendors with different sources of data, this is imperative to tell a narrative supporting the written comparative analysis.



Leading employers, such as major **financial institutions, government contractors, airlines, and large health systems** have trusted WTW with this work.

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