



## **Mental Health Parity Guidance**

Section 203 of Consolidated Appropriations Act of 2021 (Pub. L. 116-260), codified at 42 U.S.C. § 300gg-26(a)(8), which became effective on February 10, 2021, and Acts 89 and 92 of 2020, codified at 40 Pa. C.S. §§ 4301-4304 and 40 P.S. § 908- 14a-b, which are applicable for health insurance policies beginning on January 1, 2022, impose specific requirements on health insurers. These laws require plans subject to the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, as amended (MHPAEA), to document and make available parity analyses that identify limitations, describe the process used to develop, select, or continue those limitations, and define the factors used to determine whether a limitation is applicable to an MH/ SUD service. To demonstrate compliance with these requirements, the PID requires specific reporting related to quantitative and non-quantitative treatment limitations (QTL/NQTLs) for health insurance policies subject to MHPAEA. More information about MHPAEA compliance is available at

<https://www.insurance.pa.gov/Coverage/health-insurance/parity/Pages/default.aspx>

and the parity analysis templates and product filing instructions are available at

<https://www.insurance.pa.gov/Companies/ProductAndRateRequire/Pages/default.aspx>

Requirements include:

- [Annual Attestations under Acts 89 and 92](#)
- Quantitative Treatment Limitation (QTL) and Financial Requirement (FR) Parity Analysis Submission
- Non-Quantitative Treatment Limitation (NQTL) Parity Analysis Submission

### **QTL/FR Testing**

To demonstrate compliance with these requirements, for each filing for a health insurance policy offered, issued, or renewed in the Commonwealth to which MHPAEA applies, PID expects that each form filing will include quantitative treatment limitations (QTLs) and Financial Requirements (FR) analyses for all metal levels in each plan design. For PY24, the Department is expecting each filing to include an analysis for one HMO plan design from each metal level, one PPO plan design from each metal level, and one EPO plan design from each metal level, as applicable. An insurer may choose to use the QTL compliance template available on the Department's [website](#). For purposes of these analyses, QTLs/FRs include, but are not limited to, financial requirements like co-pays and coinsurance, as well as office visit limitations or other limits on how many times a treatment may be covered. The analyses must provide classifications and limitations for ALL covered benefits listed in the analyzed plan; please identify the form number and/or product/plan identification for certificates of coverage and schedules of benefits to which the

analysis is being applied. Expected claims dollar amounts must be provided for medical/surgical benefits.

If a health insurer does not use the template provided on the Department's website, the analysis should clearly identify all elements of the analysis as outlined in federal regulations. Such documentation may include a crosswalk or narrative comparison to the Department's template or to each element outlined in 45 C.F.R. § 146.136.

### **NQTL Analysis**

Additionally, for each filing for a health insurance policy offered, issued, or renewed in the Commonwealth to which MHPAEA applies, please provide one example of non-quantitative treatment limitations (NQTLs) that may apply to medical/surgical (Med/Surg) services and mental health or substance use disorder (MH/SUD) services under the policy.

The example should illustrate and reference the baseline parity analysis performed for each limitation while demonstrating how the limitations are compliant with MHPAEA. An insurer may choose to use the NQTL compliance template available on the Department's [website](#). NQTLs include, but are not limited to, medical management standards limiting or excluding benefits based on medical necessity, prior authorization processes, and step therapy; recognizing the importance and prevalence of prior authorization processes, you may wish to include prior authorization as the submitted example. If the NQTL analysis is the same for multiple products/plans, a company should submit the single analysis and reference the products/plans to which it applies.

The goal of these QTL/FR analyses and NQTL examples is to facilitate the Department's responsibility to gauge, at the point of policy form review, compliance "as written" with the above-cited provisions. As noted above, an insurer may choose to use the QTL and NQTL compliance templates available on the Department's [website](#). Alternate means of demonstrating compliance are permitted but may delay the form review process.