

THE BEHAVIORAL HEALTH COVERAGE TRANSPARENCY ACT

Senator Elizabeth Warren & Representative Katie Porter

Insurance coverage for behavioral health services is critical for addressing the mental health epidemic and substance use crisis that are devastating communities across the country. The *Wellstone-Domenici Mental Health Parity and Addiction Equity Act of 2008* (MHPAEA) and the *Affordable Care Act* require that insurance coverage for behavioral health care services [is equivalent](#) to the coverage that insurers provide for physical health care services.

Parity is the law of the land, but we need more transparency and better tools to enforce these laws and empower patients to get the care they need. According to 2020 [data](#), approximately 21 percent of adults in the United States have some type of mental illness, yet less than half of these individuals received mental health services. An [analysis](#) of data from 2013 to 2017 found that patients sought mental health and substance use disorder treatment out-of-network almost three to six times more often than they sought medical or surgical care out-of-network. Insufficient data reporting leaves patients without the information needed to make informed decisions about their care and prevents policymakers from addressing gaps in mental health treatment.

Congress took a first step toward addressing this concern in the 2021 [Consolidated Appropriations Act](#) (CAA), granting the Department of Health and Human Services (HHS), Department of Labor (DOL), and the Treasury Department (Treasury) increased oversight authorities to help provide new insights into insurers' compliance with federal parity laws. However, the Departments' 2022 MHPAEA [report](#) revealed that more needs to be done to strengthen enforcement, increase compliance, and protect consumers.

The *Behavioral Health Coverage Transparency Act of 2022* builds on the provisions passed in the CAA and would:

- Increase transparency by requiring insurance plans and third-party administrators to submit annual reports with information on any non-quantitative treatment limitations and to disclose additional data on denial rates, reimbursement rates, and network adequacy;
- Encourage compliance by ensuring that HHS, DOL, and Treasury conduct a review of no fewer than 100 plans per year, including 40 randomized audits;
- Establish a toll-free telephone number and an online Consumer Parity Portal to offer patients and providers a centralized website hosting information on patients' rights, findings from oversight efforts, and resources to ensure that health care consumers receive the protections they are guaranteed by law; and
- Support consumers by encouraging collaboration across federal agencies and with states, including by awarding grants to establish, expand, or provide support for offices of health insurance consumer assistance and health insurance ombudsman programs.