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Department of Health and Human Services
Centers for Medicare & Medicaid Services
Department of HHS
P.O. Box 8017
Baltimore, MD 21244-8010

RE: MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT OF 2008

To Whom It May Concern:

Passage of the aforementioned Act has been lauded in the mental health community. While most states have moved in the direction of mental health parity for years, federal regulation has lagged, and the many exclusions included in prior federal statutes have made life difficult for patients and providers alike. Managed care, often criticized for its particularly harsh treatment of mental health, must be credited to some degree for allowing the 2008 Act to come to fruition. Managed care made the provision of mental health coverage quantifiable, and by extension, subject to accurate pricing. Managed care companies have become adept at managing the mental health benefit, affording primary medical insurers the opportunity to offer mental health as a covered benefit on an actuarial sound basis, commensurate with all other medical and surgical conditions. Primary health insurers will undoubtedly continue to rely upon mental health managed care companies for benefit design, treatment criteria, network development, etc. I have no doubt that mental health "carve outs" can rise to the task, as most have played both sides of the fence at some point, providing management services and some degree of clinical services simultaneously.

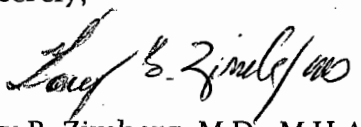
The single greatest problem encountered to date with mental health managed care companies has been establishing, and reliably enforcing, criteria for approving or disapproving treatment. In fact, clinical reviewers for managed care companies frequently point out that they are not actually denying treatment, but rather, coverage for treatment. This is obviously more than a matter of semantics considering the fact that most consumers are unable to afford treatment without use of their insurance benefits. Having also worked both sides of the fence, as the Mental Health Medical Director of a Blue Cross plan, I can honestly say that most of the low-hanging fruit with respect to cost containment has already been picked. Long-term psychiatric hospital stays are a relic of the past. Regional and national shortages of mental health providers make "over-treatment" exceedingly unlikely. To that end, burdensome paperwork required of mental health providers prior to and during the delivery of services creates an untenable burden, quite dissimilar from that required of non-mental health providers. As the Act does not specifically address this, mental health

providers are appropriately concerned that the practice will continue, creating an unequal burden on mental health providers relative to those outside of the field. Additionally, the appeal process for denied claims has often been unfair. Internal appeals are typically reviewed by employees of the managed care company, and external appeals are usually reviewed by either individuals or committees receiving regular and at times substantial income from the managed care company. Truly objective reviews are difficult to come by.

I would support the continued use of mental health managed care companies as intermediaries for primary insurers in their delivery of mental health benefits. I would also give them kudos for establishing a sound actuarial basis for primary insurers to offer mental health benefits widely. That said, I would recommend that paperwork required of mental health providers be no different than that required of all other providers. I would also recommend that the appeal process be conducted by independent entities with no financial ties to the managed care company or primary insurer. State medical societies might provide an alternative for appeals, or perhaps employed physicians of federal and state government. Both would be relatively insulated from the financial pressures ordinarily felt by reviewers paid directly by the insurer.

Thank you for allowing the public the opportunity to comment upon this Act before implementation.

Sincerely,



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