

# **Mental Health Parity Act and Other Changes Effective October 15, 2009**

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## **Mental Health Parity**

The Mental Health Parity Act (or the “Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008”) was signed into law on October 3, 2008, and the Federal Mental Health Parity (MHP) law becomes effective October 3, 2009.

The MHP law applies to group health insurers and to fully insured and self insured ERISA groups of 51 or more employees that include mental health/substance use disorder benefits. It mandates equalization of copays, coinsurance, deductibles and the elimination of day and visit limits and financial maximums. This can be accomplished by applying the same limits as apply to the medical and surgical benefits, or by creating “separate but equal” limits. The Act does not require health plans to provide mental health/ substance use disorder benefits; however, if these benefits are offered, they must be at parity with the group’s medical and surgical benefits.

Self-funded government (non-federal) groups, such as school districts, city or county government are exempt from the law. The law does not affect Individual, Small Group (2-50), and Conversion/Portability plans.

The effective date for new groups will be October 16, 2009. The benefit will be enhanced for our existing groups at their renewals beginning November 1, 2009. Prior to renewal, a group may be contacted to verify the number of full- and part-time employees.

## **Care Management**

At Regence we strongly believe that our integrated, whole person model of care management is a valuable and cost-effective benefit for members. Utilization Management activities are still allowed by the new law and are effective in managing the quality and cost of Mental Health and Chemical Dependency care. Regence has a comprehensive program of Mental Health and Chemical Dependency benefit management and we actively manage these benefits today. If one of your groups is concerned about access to care, cost management, or how Regence can help them, please contact your sales representative.

Please note that Regence is not authorized to provide legal advice to our agents/groups. For legal consultation, please contact your legal counsel.

## **Michelle’s Law**

**The following information applies ONLY to those Utah ASC groups with “student eligibility” language.**

Michelle’s Law allows full-time college students covered by a parent’s health insurance plan to maintain their coverage for up to 12 months while taking a medical leave from school or changing to a

part-time student status due to medical necessity. The extension only applies if loss of student status is the reason for losing coverage (student age limits in plans).

- The law will be effective on October 9, 2009, and thus impacts new sales and renewals beginning November 2009.
- The student must have been enrolled in the health plan before the first day of the leave.
- A written certification by the student's physician is required, indicating that the student is indeed suffering from a serious illness or injury that necessitates the leave or change in enrollment status.
- The coverage under Michelle's Law must be extended for at least one year (12 months); however, coverage may end earlier for certain reasons, such as the student aging out of the plan (e.g., exceeding the plan's normal dependent-eligibility age).
- ASC groups are not exempt.
- No coverage is allowed to extend beyond the health plan's dependent age limit.
- No regulations have been provided as of yet.

Agents and ASC groups impacted by this law will be contacted by their sales representative.

### **Summary of Changes**

The following summaries reflect the changes effective October 15, 2009:

- Innova, Engage, Activate and HSA Healthplan 2.0
- BlueChoices and other products
- Self-funded groups

# REGENCE BLUECROSS AND BLUESHIELD OF UTAH

## SUMMARY OF BENEFIT CHANGES AND CONTRACT LANGUAGE CLARIFICATIONS

Effective October 15, 2009

This comparison summarizes the revisions that will be made to group products effective with the first renewal on or after October 15, 2009 (unless specifically noted otherwise). This list does not include minor grammatical or cosmetic modifications.

BENEFIT / REGULATORY / LEGISLATIVE CHANGES		
COMPONENT / CONTRACT(S) AFFECTED	EXISTING CONTRACT / BOOKLET / REASON FOR CHANGE	NEW CONTRACT / BOOKLET LANGUAGE
<b>MENTAL HEALTH AND CHEMICAL DEPENDENCY</b> Applies to all <u>groups</u> of 51+ employees medical products.	Federal legislation passed the Mental Health Parity Act (MHPA).	Modified the Mental Health and/or Chemical Dependency benefit so coverage is paid the same as any other condition and removed any maximums that may have applied.
<b>SPECIAL ENROLLMENT</b> Applies to all <u>group</u> medical products (including groups of 100+).	Federal legislation, effective 4/2009, allows for participants (employees) who are eligible for coverage but not enrolled in the group plan to enroll within 60 days if the employee or dependent's Medicaid or CHIP (state premium assistance) eligibility ends, or if the employee or dependent becomes eligible for a premium subsidy under Medicaid or CHIP.	The Special Enrollment provision was revised to describe an additional qualifying event based on: <ul style="list-style-type: none"> <li>• Loss of Medicaid/CHIP coverage; or</li> <li>• Becoming eligible for Medicaid/CHIP</li> </ul>
LANGUAGE CLARIFICATIONS		
COMPONENT / CONTRACT(S) AFFECTED	EXISTING CONTRACT / BOOKLET / REASON FOR CHANGE	NEW CONTRACT / BOOKLET LANGUAGE
<b>CUSTOMER SERVICE PHONE NUMBER</b> Applies to Activate product.	Customer Service phone number changed.	Changed to: 1 (888) 367-2119
<b>PROVIDER NETWORK</b> Applies to Activate / Innova / Engage / HSA 2.0 products.	Changing provider naming convention to be consistent within the Insurance community.	The Traditional BlueCross network will now be "Participating", and ValueCare network will now be known as "Preferred".
<b>REGISTERED MARK</b> Applies to Innova and Engage products.	The product names have been registered and will now have the Registered Mark instead of the Service Mark "SM" when referring to the plan name Innova or Engage.	A Registered Mark ® has been added to all references where applicable in the contract, booklet, and group benefit summary documents.
<b>SPECIAL ENROLLMENT</b> Applies to all <u>group</u> medical products (including groups of 100+).	The Special Enrollment provision is unclear as to when coverage actually begins.	Changed the entire provision to be clearer to the consumer.



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**REGENCE BLUECROSS BLUESHIELD OF UTAH  
SUMMARY OF BENEFIT CHANGES AND CONTRACT LANGUAGE CLARIFICATIONS**

**Effective October 15, 2009**

This comparison summarizes the revisions that will be made to group products effective with the first renewal on or after October 15, 2009 (unless specifically noted otherwise). This list does not include minor grammatical or cosmetic modifications.

<b>BENEFIT / REGULATORY / LEGISLATIVE CHANGES</b>		
<b>COMPONENT / CONTRACT(S) AFFECTED</b>	<b>EXISTING CONTRACT / BOOKLET / REASON FOR CHANGE</b>	<b>NEW CONTRACT / BOOKLET LANGUAGE</b>
<b>MENTAL HEALTH AND CHEMICAL DEPENDENCY</b> Applies to all <u>groups</u> of 51+ employees medical products.	Federal legislation passed the Mental Health Parity Act (MHPA).	Modified the Mental Health and/or Chemical Dependency benefit so coverage is paid the same as any other condition and removed any maximums that may have applied.
<b>SPECIAL ENROLLMENT</b> Applies to all <u>group</u> medical products (including groups of 100+).	Federal legislation, effective 4/2009, allows for participants (employees) who are eligible for coverage but not enrolled in the group plan to enroll within 60 days if the employee or dependent's Medicaid or CHIP (state premium assistance) eligibility ends, or if the employee or dependent becomes eligible for a premium subsidy under Medicaid or CHIP.	The Special Enrollment provision was revised to describe an additional qualifying event based on: <ul style="list-style-type: none"> <li>• Loss of Medicaid/CHIP coverage; or</li> <li>• Becoming eligible for Medicaid/CHIP</li> </ul>
<b>LANGUAGE CLARIFICATIONS</b>		
<b>COMPONENT / CONTRACT(S) AFFECTED</b>	<b>EXISTING CONTRACT / BOOKLET / REASON FOR CHANGE</b>	<b>NEW CONTRACT / BOOKLET LANGUAGE</b>
<b>PROVIDER NETWORK</b> Applies to all <u>group</u> medical products.	Changing provider naming convention to be consistent with the other state's plans.	The Traditional BlueCross network will now be "Participating", and ValueCare network will now be known as "Preferred".



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**REGENCE BLUE CROSS BLUE SHIELD OF UTAH**  
**SUMMARY OF BENEFIT CHANGES AND CONTRACT LANGUAGE CLARIFICATIONS**  
**Effective October 15, 2009**

This comparison summarizes the revisions that will be made to group products effective with the first renewal on or after October 15, 2009 (unless specifically noted otherwise). This list does not include minor grammatical or cosmetic modifications.

<b>Unique Self-Funded Employer Plans</b>		
<b>BENEFIT / REGULATORY / LEGISLATIVE CHANGES</b>		
<b>COMPONENT / CONTRACT(S) AFFECTED</b>	<b>EXISTING CONTRACT / BOOKLET / REASON FOR CHANGE</b>	<b>NEW CONTRACT / BOOKLET LANGUAGE</b>
<p><b>DEPENDENT ELIGIBILITY</b> Applies to all State's Self-Funded groups that have extended coverage for students.</p>	<p>Federal legislation passed Michelle's Law. Applies only to those self-funded employer plans which have "student eligibility" language in their contracts.</p>	<p>The following information has been added to the Dependent provision:</p> <ul style="list-style-type: none"> <li>• Allow full-time college students, if they are covered by a parent's health insurance plan, to maintain their coverage for up to 12 months while taking a medically necessary medical leave from school. The extension only applies if loss of student status is the reason for losing coverage (student age limits in plans).</li> <li>• This protection covers student dependents who are enrolled in a post-secondary educational institution and whose medical leave has been certified by a physician.</li> </ul>
<p><b>MENTAL HEALTH AND CHEMICAL DEPENDENCY</b> Applies to all State's Self-Funded groups.</p>	<p>Federal legislation passed the Mental Health Parity Act (MHPA). Applies to all groups with 51+ employees. Self-funded employer plans may opt out of the Mental Health and/or Chemical Dependency benefit.</p>	<p>Modified the Mental Health and/or Chemical Dependency benefit so coverage is paid the same as any other condition and removed any maximums that may have applied.</p>
<p><b>SPECIAL ENROLLMENT</b> Applies to all State's Self-Funded groups.</p>	<p>Federal legislation, effective 4/2009, allows for participants (employees) who are eligible for coverage but not enrolled in the group plan to enroll within 60 days if the employee or dependent's Medicaid or CHIP (state premium assistance) eligibility ends, or if the employee or dependent becomes eligible for a premium subsidy under Medicaid or CHIP.</p>	<p>The Special Enrollment provision was revised to describe an additional qualifying event based on:</p> <ul style="list-style-type: none"> <li>• Loss of Medicaid/CHIP coverage; or</li> <li>• Becoming eligible for Medicaid/CHIP</li> </ul>
<b>LANGUAGE CLARIFICATIONS</b>		
<p><b>SPECIAL ENROLLMENT</b> Applies to all Integrated Health Solutions products.</p>	<p>The Special Enrollment provision is unclear as to when coverage actually begins.</p>	<p>Changed the entire provision to be clearer to the consumer.</p>



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