

## **Mental Health Parity**

### **Pass legislation to enhance oversight and compliance with federal and state mental health and substance use disorder parity laws.**

**Summary:** As New York approaches the twenty-year anniversary of the signing of New York’s mental health parity law, Timothy’s Law, and the eighteen-year anniversary of the federal mental health parity law, it is more important than ever that we ensure full compliance. Recent investigations have found continued evidence of non-compliance, which inhibits access to necessary care and treatment.

### **Highlights**

- ✓ The federal and state parity laws require insurers and health plans to cover mental health and substance use disorder care at the same level of access and benefits as physical health services, and not impose financial requirements or treatment limitations that are more stringent than those for physical conditions.
- ✓ The current system for enforcement and compliance with the parity laws relies largely on individual consumer or provider complaints, with minimal public accountability to verify if these are isolated or systemic issues.

### **Legislative Request**

- ✓ SUPPORT: Legislation that codifies the standard definition of medical necessity, prohibits post-service payment claw backs, and requires utilization review to use tools that are “fully consistent with medical and scientific evidence.” (S5241, Fernandez/A6648, Hunter).
- ✓ SUPPORT: Legislation that would codify additional protections to ensure insurers and health plans comply with the parity laws and regulations. This includes requiring meaningful coverage for mental health and substance use disorders, and additional data reporting and testing. (S8426, Brouk/A8839, Simon).

### **Talking Points**

- ✓ Non-compliance with the parity laws continues to be a major issue that contributes to challenges and delays in access to care for those with mental health and substance use disorders.
- ✓ Two-thirds of New Yorkers with commercial insurance who have been diagnosed with a mental health condition have not received the care they need over the past year.

## Background

This year, New York will celebrate the twenty-year anniversary of the signing of New York’s mental health parity law, Timothy’s Law (Chapter 748 of the Laws of 2006). Also, it has been eighteen years since the enactment of the 2008 federal parity law (Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act- MHPAEA). The Governor has recognized the issue, stating, “...the frustration and delays that many New Yorkers experience in trying to access mental health care today indicate that far stronger enforcement is necessary to realize true parity.”

Yet, the promise of parity remains unfulfilled. We believe that the lack of compliance with parity laws by insurers and health plans inhibits and delays access to care and treatment amidst an extraordinary mental health crisis, particularly among our youth. Full compliance with behavioral health parity laws will have a positive impact, not only on the health of New York’s residents, but also would reduce the state’s health, Medicaid, and other safety net expenditures.

The current system for enforcement and compliance with parity relies largely on individual consumer or provider complaints, with minimal public accountability to verify if these are isolated or systemic issues. Yet consumers face great difficulty in understanding the nuances and complexities of the law as well as their rights. We need all of the oversight agencies to work together to provide more vigorous oversight and enforcement, including the New York State Department of Financial Services, Department of Health, Office of Mental Health, and Office of Addiction Services and Supports.

In December 2023, Attorney General James issued a report, indicating that the behavioral health provider networks of the insurance plans in New York State are woefully inadequate. According to the report, only 14% of mental health providers who were contacted offered appointments, and just 8% of the providers offered in-person appointments. In February 2026, Attorney General James announced the most recent action fining Emblem Health a record \$2.5 million for failure to comply with the parity laws.

