

FEDERAL	COLORADO
<p>1. <b>Federal Mental Health Parity Act:</b> Applies to self-funded and fully insured large group (51+) plans.</p> <ul style="list-style-type: none"> <li>• In the case of a self-funded plan, the employer assumes all liability for the eligible claims and designs the benefit plan.</li> <li>• In the case of a fully insured plan, an insurance company assumes the liability for all eligible claims incurred by eligible employee participants.</li> </ul> <p>2. <b>Federal Mental Health Parity Act:</b> Signed into law on September 26, 1996. It provides for parity in the application of aggregate lifetime and annual dollar limits on mental health benefits with dollar limits on medical/surgical benefits.</p> <p>3. <b>Federal Act Provisions:</b> Subject to concurrent jurisdiction by the Departments of Labor, Treasury, and Health and Human Services.</p> <ul style="list-style-type: none"> <li>• Applies to large group health plans for plan years beginning on or after January 1, 1998 but no later than March 31, 1998.</li> <li>• Applies only to plans offering mental health benefits. Health plans are not required to include mental health in their benefits package.</li> <li>• Provisions do not apply to benefits for substance abuse or chemical dependency.</li> </ul> <p>4. <b>Effect on Benefits:</b></p> <ul style="list-style-type: none"> <li>• No longer allowed to set annual or lifetime dollar limits on mental health that are lower than any such dollar limits on medical and surgical benefits.</li> <li>• Plans can impose other restrictions (such as cost-sharing and limits on the number of visits or days of coverage) for the amount, duration and scope of mental health benefits.</li> </ul> <p>5. <b>Exceptions to Parity Requirements:</b></p> <ul style="list-style-type: none"> <li>• Law does not apply to small employers who have fewer than 51 employees.</li> <li>• Any group health plan whose costs increase one (1) percent or more due to the application of federal act's requirements may claim an exemption from the federal parity requirements</li> </ul>	<p>1. <b>Colorado Mental Health Parity Law:</b> Applies to small and large group fully insured plans. An insurance company assumes the liability for all eligible claims incurred by eligible employee participants.</p> <p>2. <b>Colorado Mental Health Parity Law:</b> Signed into law on April 1, 1997. It provides for parity for biologically based mental illnesses.</p> <ul style="list-style-type: none"> <li>• Applies to all group health benefit plans.</li> <li>• Took effect January 1, 1998 for group health policies, plans or contracts issued or renewed on or after said date.</li> <li>• Mandates coverage for treatment of biologically based mental illnesses that is no less extensive than the coverage provided for any other physical illness.</li> </ul> <p>3. <b>Biologically Based Mental Illness Means:</b></p> <ul style="list-style-type: none"> <li>• Schizophrenia</li> <li>• Schizoaffective Disorder</li> <li>• Bipolar Affective Disorder</li> <li>• Major Depressive Disorder</li> <li>• Specific Obsessive-Compulsive Disorder</li> <li>• Panic Disorder</li> </ul> <p>4. <b>Colorado Law Concerning All Other Mental Illnesses:</b> Applies to all group policies or contracts providing hospitalization or medical benefits.</p> <p>a) <b>Inpatient Mandated Benefits (Twelve Month Period):</b></p> <ul style="list-style-type: none"> <li>• <b>Inpatient Hospitalization:</b> 45 days inpatient care minimum.</li> <li>• <b>Parity Inpatient Hospitalization:</b> 90 days for partial hospitalization minimum (each 2 days of partial hospitalization care shall reduce by one day the 45 days available for inpatient care).</li> </ul> <p>b) <b>Outpatient Mandated Benefits:</b> Not less than \$1,000 or 20 visits in any one twelve-month-benefit period.</p> <p>c) <b>Copayment Requirements:</b> Carrier may establish a copayment requirement for mental illness, which may or may not differ from the copayment requirement established for any other condition or illness; except that copayment requirements for mental illness shall not exceed a 50 percent copayment requirement.</p> <p>d) <b>Deductible Requirements:</b> Carrier may establish a deductible amount for mental illness; but such deductible amount shall not differ from the deductible amount for any other condition or illness.</p>
<p>FOR INFORMATION ON THE "FEDERAL PARITY LAW", CONTACT THE REGIONAL OFFICE OF THE U.S. DEPARTMENT OF LABOR, KANSAS CITY, MO (816) 426-5131.</p>	<p>FOR INFORMATION ON "COLOADO PARITY LAW" AND MENTAL HEALTH BENEFITS, CONTACT THE COLORADO DIVISION OF INSURANCE, 800-930-3745 (Toll free number) OR (303) 894-7490.</p>