

# Let children who need treatment get it.



Children diagnosed with illness ought to be able to get available treatment when their doctor recommends it. Unfortunately, for too many kids with mental health challenges, their health insurers' refusal to treat their concerns the same as physical health concerns stands in the way of them getting care they need to thrive.

When children receive necessary mental health care most are able to function successfully at home, in school, and in their community. There have been some great strides forward in the past decade at the federal level to ensure that when children need mental health services, they get them at the same level as they do physical health services.<sup>1</sup> Now, Texas children need the state to ensure that federal mental health protections are enforced by the Texas Department of Insurance.

## What to know

- More than 1.3 million Texan children or **1 out of every 5 kids has a mental illness** or disorder during the course of a year.<sup>2</sup>
- **Nearly 60% of these children and teens with a diagnosable mental disorder do not receive services**—a rate 20% higher than the national average.<sup>3</sup>



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- Research shows that physical health is closely linked to mental health.<sup>4</sup> In 2009, **mental health conditions were the fourth most common reason for children to be admitted to hospitals.**<sup>5</sup> Making sure children's mental health needs get met is key to improving kids' overall wellbeing.
- In 2008, Congress passed the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act, which required certain health insurance markets to cover mental health and physical health equally.<sup>6</sup> Parity means, for example, that **companies can no longer put arbitrary limits on treatment or assign higher co-payments or deductibles for those who need mental health services.**
- The Affordable Care Act, passed in 2010, **expanded mental health parity for qualified health plans.**<sup>7</sup>
- A current Texas Department of Insurance rule enforces the 2008 Wellstone and Domenici Mental Health Parity Act,<sup>8</sup> but **Texas' rule has yet to be updated to include changes under the Affordable Care Act.**
- The Texas Department of Insurance has a process for hearing parity complaints and ensuring parity is a consideration in health plans' certification. But **we need to ensure the higher federal standard of making sure health plans give equal treatment to physical health and mental health services is met.**<sup>9</sup>
- Children with public health coverage and mental health concerns face challenges, too. **Managed care in Children's Medicaid has allowed insurers to deny many Texas kids care** that their doctors or mental health professionals deemed medically necessary

but that insurers themselves do not. Part of the reason is that these plans authorize care for addressing mental health concerns in children in a more limited way than they do for adult patients and define medical necessity benefits differently for kids.<sup>10</sup>

## How to Make It Happen

- **Update Texas' mental health parity rule** to reflect the changes made in the Affordable Care Act. With the millions of new individuals who will be covered through reform, it is all the more important that we have our state law in order and are able to enforce mental health parity.
- **Ensure the Texas Department of Insurance has a consumer-friendly portal** for parity complaints and grievances. Texans should feel empowered with information on whether their plan meets parity requirements.
- Mental health parity is an issue that involves the Texas Department of Insurance, Health and Human Services Commission, and the Department of State Health services. Each agency plays a vital role in the provision of mental health services to Texas children. **Coordination between state agencies is necessary for parity to be enforced throughout the state's insurance markets.**
- Require that payers—Medicaid, private insurance, and managed care organizations—of mental health services **reimburse for medically necessary mental health services** Texas children need.

To learn more about this idea, check out: <http://tinyurl.com/Parity-Kids>

## Thinking About Costs

When children miss out on needed mental health services early on, their risk of developing more acute and harmful conditions that cost more to treat rises. Kids also often resort to poor coping strategies such as skipping school, social withdrawal, and risky behaviors like substance abuse. Each of these has an economic impact that intensifies as children age without the capacity they would otherwise have to achieve in school and in the workplace. When children lack options for proper treatment covered by their health insurance, they sometimes are left to get treatment in the juvenile justice or child welfare system at taxpayers' expense.

## Sources

### "Thinking about Costs"

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