The Essential Health Benefits and Access to Affordable Coverage: Focus on Behavioral Health Care

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EHB Flexibility

- Continuum of Coverage
- Adverse Selection equilibrium
- Low income populations
2011 Department of Health and Human Services Survey of Individual Market Issuers

- About 65% did not offer maternity coverage in standard policies
- 34% did not offer coverage for treatment of Substance Use Disorders (SUDs)
- 18% did not offer coverage for care of mental illnesses
- When covered M/SUD coverage subject to limits: detox, 30 IP days; 20 OP visits; 50% OP coinsurance
M/SUD Gains

- Mental Health Parity and Addiction Equity Act, Pub. L. 110-343
- Essential Health Benefits include mental health and substance abuse
- Parity applies to qualified health plans “in the same manner and to the same extent as such section applies to health insurance issuers and group health plans” (sec. 1311(j))
## Populations with Coverage Affected by MHPAEA and ACA

<table>
<thead>
<tr>
<th>Group</th>
<th>Policy</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Insurance Populations</td>
<td>MHPAEA alone</td>
<td>103 million</td>
</tr>
<tr>
<td>Small Group Insurance Market</td>
<td>EHB + subsidies + MHPAEA</td>
<td>30 million</td>
</tr>
<tr>
<td>Individual Insurance Market</td>
<td>EHB + subsidies + MHPAEA</td>
<td>18 million</td>
</tr>
<tr>
<td>Medicaid</td>
<td>MHPAEA + EHB + expansion</td>
<td>23 million</td>
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<tr>
<td>Total</td>
<td></td>
<td>174 million</td>
</tr>
</tbody>
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Source: Frank 2016
Surcharge Estimates

- **Mental Illnesses (depression)**
  - Frank estimate: $9,365
  - CAP estimate $8,370

- **Drug Dependence**
  - Frank estimate $9,356
  - CAP estimate $20,140

- **Maternity**
  - 2011 rider $5,000
  - CAP surcharge estimate $17,060