



Mental Health Parity Index: Leveraging New Data Tools to Inform Effective Policy

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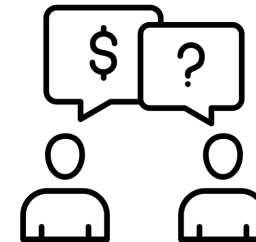
Today's Learning Objectives



Provide Background on health plan transparency and mental health parity



Give an overview of the MHPI, including how it works and why it is important.



Provide participants guidance on leveraging the tools to advance improved payment methodologies and policy action

Price transparency holds the promise of improved policy action, rate negotiation, and strategic decision-making to ensure better sustainability and financing of SUD services.

Transparency in Coverage (TiC) Overview

What is Transparency in Coverage?

- The Transparency in Coverage Final Rule, effective July 1, 2022, requires health plans, issuers, and hospitals to publicly disclose pricing data, including negotiated rates for in-network providers and historical out-of-network allowed amounts, to help consumers understand health care costs and make informed decisions.
- Monthly, each commercial health plan, including all ACA plans in every market, publishes all network contract data on a public website, including all physical and behavioral health contracted rates. However, the files are posted in hard-to-access machine-readable formats, requiring significant data engineering skills.

This means health care providers can now evaluate former trade-secret contracted pricing information to inform your pricing strategy and negotiations with payers.



Executive Order February 25, 2025



- President Trump issued an Executive Order reinforcing the price transparency rules and signaling increased enforcement to ensure compliance, stating:
 - “The departments will ensure hospitals and insurers disclose actual prices, not estimates, and take action to make prices comparable across hospitals and insurers, including prescription drug prices.”
 - “The departments will update their enforcement policies to ensure hospitals and insurers are in compliance with requirements to make prices transparent.”

What Does This Mean for Behavioral Health Providers?

- Historically, the average in-network rates for mental health and substance use disorder (SUD) treatment services have been lower than in-network rates for physical health services.
- In some instances, the commercial carriers are paying less than Medicaid rates and covering a more limited scope of services/codes.
- Many community based behavioral health providers have historically opted not to accept commercial insurance or contract with employer-sponsored plans.



Behavioral Health Providers Have Historically Low Reimbursement Rates

According to a study published in 2024 by RTI International:

- The average reimbursement for all medical/surgical clinician office visits was 21.7% higher than for all behavioral health clinicians, 24.9% higher than for psychiatrist office visits, and 28.8% higher than for psychologist office visits.
- Office visits for all behavioral health clinicians were 3.5 times more likely to be out-of-network than those for all medical/surgical clinicians.
- Provider shortages do not explain the disparities in out-of-network utilization and reimbursement.



The Opportunity: Behavioral health providers can now leverage these data sets to...



- Join carrier networks at an acceptable, sustainable commercial rate that should trend towards 150-200% of Medicare, like other physical health services
- Optimize rates: Compare your rates against the market to understand your competitive positioning
- Enhance contract terms: Substantiate rate negotiations in specific service lines. Add reimbursable services and billing codes to contracts.
- Explore Value-Based Payment Arrangements: Open new conversations and pathways to value-based payment arrangements
- Utilize data to support advocacy efforts for Parity in rates and coverage options.

Use Cases for Transparency in Coverage Data



- Compare rates between plans in a region for specific billing codes



- Compare rates and codes being used within one plan between different providers and facility types



- Calculate commercial market averages for distinct mental health and SUD codes



- Evaluate commercial contract pricing vs. Medicaid rates vs. Medicare rates

Rate Book Usage & Sample

- Data on all rates for all billing codes, CPT, HCPCS, and revenue codes, for all plans
- Compare rates and codes within one plan between different providers – Each individual with a contracted rate provider can be found and identified to perform competitive analysis in a given market

carrier_plan_name	billing_code_type_label	billing_class	min_negotiated_rate	avg_negotiated_rate	geomean_negotiated_rate	max_negotiated_rate
Aetna Choice POS	HCPCS H0015	Institutional	134.33	222.78	217.59	284.55
Cigna National OAP	HCPCS H0015	Institutional	79.00	254.28	240.55	339.00
Kaiser Permanente CO KFHP	HCPCS H0015	Institutional	95.00	247.79	236.98	361.00
Aetna Choice POS	HCPCS H0015	Professional	58.80	172.03	157.02	309.09
Anthem BCBS CO EPO	HCPCS H0015	Professional	100.00	177.33	171.24	225.00
Anthem BCBS CO PPO	HCPCS H0015	Professional	100.00	177.67	174.01	225.00
Cigna National OAP	HCPCS H0015	Professional	67.89	115.10	102.08	258.00
Kaiser Permanente CO KFHP	HCPCS H0015	Professional	95.00	247.79	236.98	361.00

Compare Rates Within One Plan Between Different Facility Types



The data can be sorted by taxonomy (provider and facility type) as listed in the NPI registry.

carrier_plan_name	billing_code_type_label	negotiated_type	billing_class	bh_facility_provider_type_group	geomean_negotiated_rate
Aetna Choice POS	HCPCS H0015	Negotiated	Institutional	Hospital Units	134.33
Aetna Choice POS	HCPCS H0015	Negotiated	Institutional	Ambulatory Health Care Facilities	200.00
Aetna Choice POS	HCPCS H0015	Negotiated	Institutional	Hospitals	275.00
Aetna Choice POS	HCPCS H0015	Negotiated	Professional	Hospital Units	167.18
Aetna Choice POS	HCPCS H0015	Negotiated	Professional	Ambulatory Health Care Facilities	191.88
Aetna Choice POS	HCPCS H0015	Negotiated	Professional	Hospitals	161.01

Compare Rates Within One Plan Between Different Providers



provider_organization_name	carrier_plan_name	billing_code_type_label	negotiated_type	billing_class	geomean_negotiated_rate
Associates in Counseling, LLC	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	134.33
Aurora Comprehensive Community Mental Health Center	Aetna Choice POS	HCPCS H0015	Negotiated	Institutional	205.00
Denver Health	Aetna Choice POS	HCPCS H0015	Negotiated	Institutional	208.06
Denver Health & Hospital Authority	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	134.33
Denver Springs, LLC	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	234.00
Diamond Global Healthcare, Inc	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	134.33
Mindful Connections Mental Health, LLC	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	134.33
Neuroconnections, LLC	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	134.33
North Range Behavioral Health	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	200.00
OK Therapy	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	134.33
OKS OF Denver, Inc.	Aetna Choice POS	HCPCS H0015	Negotiated	Institutional	261.00
University of Colorado Hospital Authority	Aetna Choice POS	HCPCS H0015	Negotiated	Institutional	193.00
West Brain PA	Aetna Choice POS	HCPCS H0015	Negotiated	Professional	134.33



Approaching Payer Negotiations- Know Your Value and Prove it



- Demonstrate Impact with Data
 - Wait times, symptom reduction, satisfaction, cost vs. reimbursement, treatment adherence, geographic coverage, etc.
- Highlight Unique Offerings
 - Showcase specialized services like trauma therapy, EMDR, and extended hours to differentiate your practice.
- Emphasize Certifications
 - Promote provider certifications and specializations that enhance quality care and network adequacy.

Approaching Payer Negotiations- Build Collaborative Relationships



- Collaborative Approach
 - Adopt a partnership mindset with payers
- Regular Communication
 - Engage in continuous communication, share success stories to build stronger payer-provider relationships.
- Participation in Advisory Committees
 - Join payer advisory committees to foster trust and create opportunities for better contract terms.
- Commitment to Shared Goals
 - Demonstrate your dedication to mutual objectives to enhance your provider credibility with payers.

Approaching Payer Negotiations- other areas to speak to



- How you help with--
 - Network adequacy
 - Access and market demand
 - Care coordination
- Investments in technology and infrastructure, adoption of AI to support greater efficiencies and quality
- Integrated care
- Measurement-based care adoption

The Mental Health Parity Index

parityindex.org

Using This New Data to Measure Parity



- The bipartisan Mental Health Parity and Addiction Equity (MHPAEA) Act of 2008 laid the foundation for why most commercial insurance benefit books today indicate similar coverage and patient cost-sharing for mental health and substance use services with that of physical health services.
- The Patient Protection and Affordable Care Act in 2010 went a step further, requiring behavioral health treatment as an essential health benefit and expanding parity to nearly all commercial plans.

The Mental Health Parity Index: parityindex.org

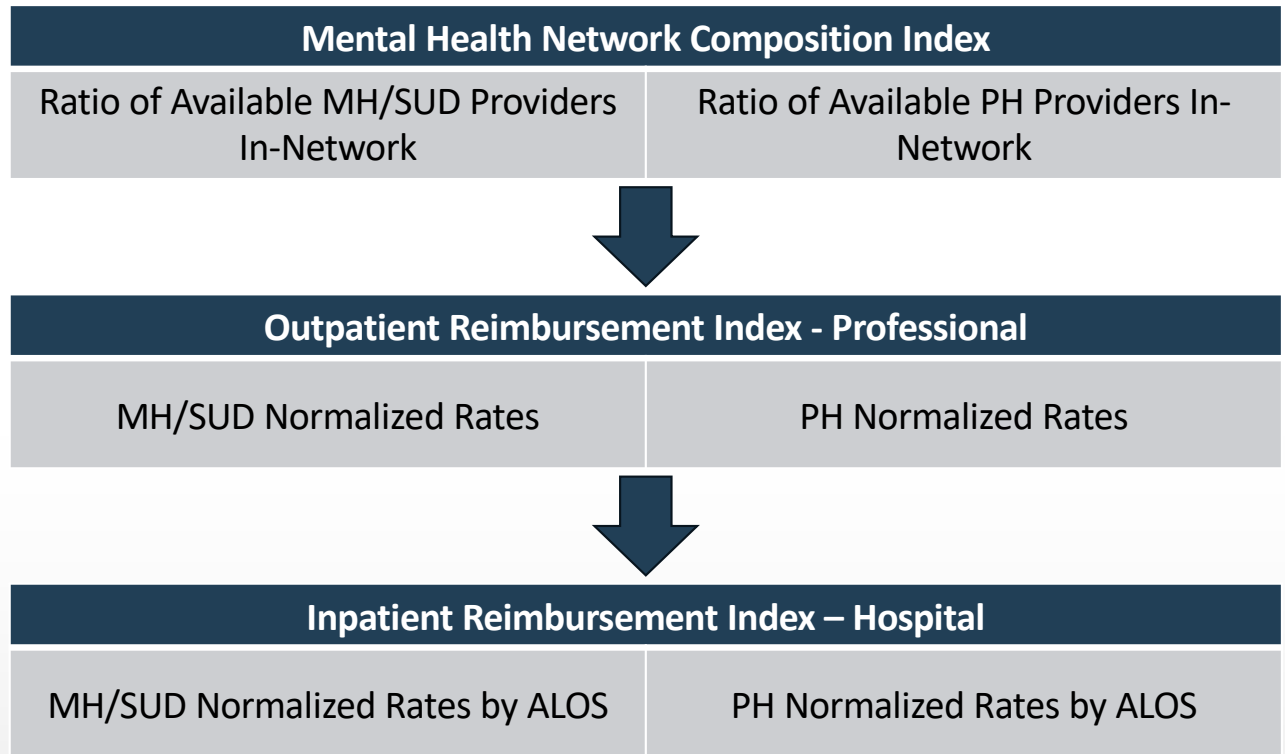
Launched by The Kennedy Forum alongside strategic founding partners Third Horizon and the American Medical Association, the initiative provides new insights on key issues that affect Americans, like the percentage of MH/SUD or physical health providers available who are in-network with commercial health plans and what providers are paid relative to one another. Initially piloted in Illinois but scalable nationwide, the Mental Health Parity Index is a seminal tool for transparency. The tool anticipates to launch nationwide in the Spring of 2026.



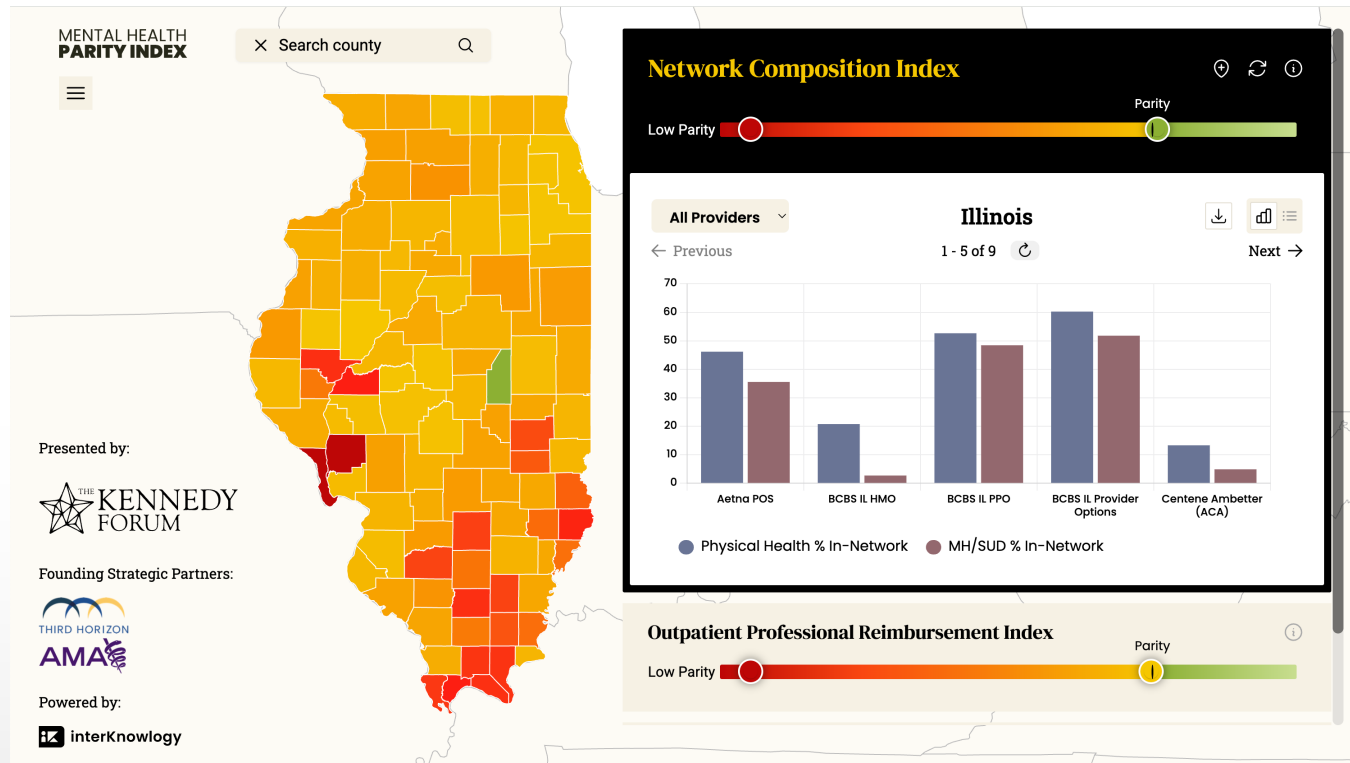


Two Primary Indices:

- ***Parity in Access*** suggests that the ratio of providers contracted in-network to treat physical health when compared with mental health and substance in-network would be similar in any market.
- ***Parity in Coverage*** suggests that the prices paid for similar levels of care would also be commensurate.



Network Composition Index



Network Composition Index: A network composition ratio of 1:1 would mean that the same percentage of licensed in-network providers would be available to a plan beneficiary for a mental health or substance use service as a physical health service in a selected geography.

Parity in Reimbursement



Reimbursement Parity: Reimbursement parity would mean that the contracted price for a mental health or substance use health service would be the same as a physical health procedure when normalized using a per-unit-of-service calculation.

Out-Patient Reimbursement for IL Plans

Health Plan	Physical Health Base Rate (\$)	MH/SUD Base Rate (\$)	Percent Difference (%)
Cigna PPO	\$56.35	\$31.54	56.48
UHC POS Optum	\$51.89	\$32.94	44.67
Aetna POS	\$55.50	\$40.59	31.03
Centene Ambetter (ACA)	\$39.22	\$30.39	25.35
HAMP POS (ACA)	\$55.39	\$43.13	24.89
BCBS IL Provider Options	\$48.07	\$37.56	24.55
BCBS IL PPO	\$42.75	\$35.62	18.19
HCSC BCBS IL PPO (ACA)	\$42.72	\$35.64	18.07
BCBS IL HMO	\$43.14	\$41.70	3.41

Preliminary Network Composition for NH

As part of the national rollout for the Parity Index, for BCBS, Aetna, United/Optum, and Cigna national networks the preliminary results of the network composition indicate that:

- Nationally, 62% of physical health providers have in-network contracts, while just 42% of licensed mental health and SUD Providers have in-network contracts.
 - A 20% percent difference when using a proportional denominator.
- In New Hampshire, just over 70% of physical health providers have in-network contracts, while just 46% of licensed mental health and SUD Providers have in-network contracts.
 - A 24% percent difference when using a proportional denominator. While NH has a slightly higher rate of MH/SUD providers in networks than the national average, it has a larger percent difference.



Beyond Payer Advocacy



- TIC and Parity Index findings can drive data-driven advocacy to address
 - MH/SUD Parity regulatory review
 - Enhanced network composition
 - Increased access to MH/SUD services
 - Reduce out-of-pocket expenses for individuals and families
 - Reductions in the total cost of care

Next Steps for Parity Index

- National Data set launch in January, 2026 to include national payer networks:
 - Cigna, BCBS Blue Card, United/Optum, and Aetna
- State-by-state effort to integrate local payers including ACA plans



Thank you!

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