

HOW ATTAC HELPED A LARGE HEALTH PLAN MEET MENTAL HEALTH PARITY COMPLIANCE REQUIREMENTS AND RESPOND TO A DEPARTMENT OF LABOR AUDIT

An Insurer's Urgent Need

To demonstrate compliance with the Mental Health Parity and Addition Equity Act (MHPAEA), a large health insurance plan needed to produce documentation proving that it didn't discriminate in providing mental health and substance-use disorder benefits. As the plan started to pull together its documentation, it became apparent that greater detail would be required to satisfy a state market conduct or federal Department of Labor (DOL) audit. While the plan understood it had to produce evidence of compliance across many aspects of its benefit programs (known as non-quantitative treatment limitations, or NQTLs), it didn't know what specific evidence would be required for the NQTLs, or how to effectively present data to federal DOL or state regulators.

In addition to its own insured programs, the plan administered numerous ERISA self-funded plans. The employer plan sponsors of the ERISA plans had requested NQTL documentation in case they were audited by the DOL.

To rapidly close these gaps and create acceptable NQTL analyses, the plan determined it needed to engage experts to help develop acceptable NQTL evidence and comparative analysis documents.

The plan hired ATTAC Consulting Group to provide critically needed support based on the firm's proficiency in developing documentation to address MHPAEA requirements. The ATTAC team is experienced in drafting NQTLs to address regulatory expectations and supports plans in DOL and state audits.

[View the Challenges & Results](#) →



CHALLENGES

- As the engagement started, it became clear that responsibility for MHPAEA compliance was spread across individual departments, with no coordinated approach. ATTAC established a steering committee that included critical department leaders and focused on establishing a single point of reporting and accountability within the plan's compliance team.
- The plan was new to the process of developing written NQTLs and gathering data to demonstrate non-discrimination. The plan lacked confidence that the NQTL template it had developed would be effective in organizing all the information in the required NQTL comparative analyses. Further complicating the plan's ability to move forward effectively: The DOL does not provide an example of an acceptable NQTL comparative analysis. ATTAC was able to guide the plan based on the firm's previous experience developing MHPAEA documentation and evidentiary elements in response to mental health parity regulatory inquiries.
- The wide variation in the plan's product designs (e.g. traditional, HMO, PPO), wide vs. narrow networks, and formulary designs, left the plan uncertain about which variations required a separate NQTL analysis. Through detailed evaluation of each of these variations, ATTAC provided the plan with a roadmap that outlined all the NQTL comparative analyses and provided guidance on what types of program changes would require a new NTQL comparative analysis.
- During the course of the engagement, the plan received a regulatory audit inquiry requesting copies of the plan's NQTL comparative analyses. ATTAC rapidly completed various NQTLs that were already underway, which allowed the plan to respond to the audit inquiry within 14 calendar days.

Detailed NQTL analyses can be required for up to 19 different areas of each benefit plan design. In working with ATTAC, the plan learned that in 2021, the DOL issued 156 letters requesting comparative analyses for 216 unique NQTLs. *None of the analyses reviewed contained sufficient information.* The deficiencies included lack of specificity, lack of adequate detail, conclusory assertions, and failure to demonstrate compliance.



ATTAC collaborated with plan leadership to achieve the following results:

- Wrote nine core NQTL analyses for commercial business involving multiple plan designs, with versions for self-funded groups
- Spearheaded information collection across departments and vendors to formulate NQTLs
- Conducted interdepartmental training on MHPAEA requirements
- Identified applicable NQTLs for each plan design and product type
- Developed written NQTLs in collaboration with the plan's subject-matter experts
- Conducted a comparative analysis to assess and evaluate compliance with each NQTL
- Conducted annual NQTL revisions influenced by the DOL's 2022 MHPAEA Report to Congress
- Identified operational MHPAEA risks and areas of opportunity for improvement
- Developed an internal MHPAEA compliance program and associated policies
- Supported the plan's state filing and regulatory data requests
- Provided access to ATTAC's network of actuarial and legal resources
- Launched new processes and procedures to respond to ERISA requests for documentation, including a template for NQTL reporting.
- Supported the plan in its response to a state inquiry

In addition to mitigating identified risks and positioning the plan for ongoing regulatory audit, the relationship with ATTAC helps the plan continue to improve MHPAEA compliance and implement changes in regulatory guidance and regulations. The plan is now better prepared for future audits by regulators and the state.



WHY WORK WITH ATTAC CONSULTING GROUP?

We are recognized as a premier national consulting, compliance and auditing firm serving insurer and ERISA sponsors. We have deep experience helping clients write complete NQTL analyses and responding to DOL, CMS and state departments of insurance audit and reporting expectations.

Don't go it alone. Contact us about how we can help reduce the complexity and risks associated with your plan's mental health parity compliance.

AMANDA BROWN
VP, Compliance Solutions

abrown@attacconsulting.com

(816) 695-6344

