

**CAPITOL DECISIONS, INC**  
**SIDE-BY-SIDE COMPARISON OF S. 558 AND H.R. 1424—MENTAL HEALTH AND ADDICTION PARITY LEGISLATION**

KEY PROVISIONS	S. 558 AS PASSED BY THE SENATE	H.R. 1424 AS INTRODUCED
<b>Transparent and comprehensive inclusion of substance-related disorders</b>	The phrase “substance abuse treatment” is being used to describe the class of substance-related disorder benefits available through health plans at their discretion. The term is only included in the definitional section	The term “substance-related disorders” is included in all places referring to mental health and medical and surgical benefits with respect to health insurance coverage
<b>Medical necessity criteria and medical management</b>	The bill provides unfettered medical management by health plans Plans are not required to disclose medical necessity provisions in advance to consumers and providers	Allows plans to utilize their own medical management and utilization review criteria, but plans are required to disclose medical necessity provisions upon request to consumers and providers
<b>Mandate for covered conditions</b>	The bill contains no employer mandate for mental health and addiction coverage  Plans may decide what conditions to cover	The bill contains no employer mandate for mental health and addiction coverage  Covered mental health and substance-related disorder conditions must be the same as those covered by the Office of Personnel Management’s Federal Employee Health Benefits Plans (conditions included in the DSM-IV)
<b>Small employer exemption</b>	Exempts companies with fewer than 50 employees	Exempts companies with fewer than 50 employees
<b>Exemption for employers insurers whose costs increase too dramatically</b>	Exempts companies whose premiums increase by more than 2% in the first plan year after enactment of parity and 1% thereafter	Exempts companies whose premiums increase by more than 2% in the first plan year after enactment of parity and 1% thereafter
<b>Out-of-Network Benefits</b>	No parity for out-of-network benefits unless there is already an out-of-network option for both mental health and substance-related disorders	If there is an out-of-network care option for medical and surgical conditions, there must be an out-of-network option for mental health and substance-related disorders
<b>Enforcement</b>	There is no enforcement mechanism	Contains \$100 a day per beneficiary per violation IRS penalty for non-compliance
<b>Preemption</b>	In a change from earlier versions of S. 558, the current bill stays silent on preemption. As a result, it appears that state laws that provide greater consumer benefits than those in this bill may not be preempted	The bill includes language stating that it does not preempt state laws that provide greater consumer protections, benefits, methods of access to benefits, rights or remedies than those in this bill