

## 42 C.F.R. § 440.395

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### Parity in mental health and substance use disorder benefits.

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(a) *Meaning of terms.* For purposes of this section, except where the context clearly indicates otherwise, the following terms have the meanings indicated:

*Aggregate lifetime dollar limit* means a dollar limitation on the total amount of specified benefits that may be paid under an ABP.

*Alternative Benefit Plans (ABPs)* mean benefit packages in one or more of the benchmark coverage packages described in §§ 440.330(a) through (c) and 440.335. Benefits may be delivered through managed care and non-managed care delivery systems. Consistent with the requirements of § 440.385, States must comply with the managed care provisions at section 1932 of the Act and part 438 of this chapter, if benchmark and benchmark-equivalent benefits are provided through a managed care entity.

*Annual dollar limit* means a dollar limitation on the total amount of specified benefits that may be paid in a 12-month period under an ABP.

*Cumulative financial requirements* are financial requirements that determine whether or to what extent benefits are provided based on accumulated amounts and include deductibles and out-of-pocket maximums. (However, cumulative financial requirements do not include aggregate lifetime or annual dollar limits because these two terms are excluded from the meaning of financial requirements.)

*EPSDT* means benefits defined in section 1905(r) of the Act.

*Financial requirements* include deductibles, copayments, coinsurance, or out-of-pocket maximums. Financial requirements do not include aggregate lifetime or annual dollar limits.

*Medical/surgical benefits* means benefits for items or services for medical conditions or surgical procedures, as defined by the State under the terms of the ABP and in accordance with applicable Federal and State law, but does not include mental health or substance use disorder benefits. Any condition defined by the state as being or as not being a medical/surgical condition must be defined to be consistent with generally recognized independent standards of current medical practice (for example, the most current version of the International Classification of Diseases (ICD) or State guidelines). Medical/surgical benefits include long term services.

*Mental health benefits* means benefits for items or services for mental health conditions, as defined by the State under the terms of the ABP and in accordance with applicable Federal and State law. Any condition defined by the State as being or as not being a mental health condition must be defined to be consistent with generally recognized independent standards of current medical practice (for example, the most current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM), the most current version of the ICD, or State guidelines). Mental health benefits include long term care services.

*Substance use disorder benefits* means benefits for items or services for substance use disorder, as defined by the

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State under the terms of the ABP and in accordance with applicable Federal and State law. Any disorder defined by the State as being or as not being a substance use disorder must be defined to be consistent with generally recognized independent standards of current medical practice (for example, the most current version of the DSM, the most current version of the ICD, or State guidelines). Substance use disorder benefits include long term care services.

*Treatment limitations* include limits on benefits based on the frequency of treatment, number of visits, days of coverage, days in a waiting period, or other similar limits on the scope or duration of treatment. Treatment limitations include both quantitative treatment limitations, which are expressed numerically (such as 50 outpatient visits per year), and nonquantitative treatment limitations, which otherwise limit the scope or duration of benefits for treatment under an ABP. (See paragraph (b)(4)(ii) of this section for an illustrative list of nonquantitative treatment limitations.) A permanent exclusion of all benefits for a particular condition or disorder, however, is not a treatment limitation for purposes of this definition.

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