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Compliance Today - June 2024

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Why mental health parity should top healthcare organizations' to-do lists

by Venson Wallin and Gregg Mills

Clinicians, first responders, and other healthcare staff work in highly stressful environments that can create or exacerbate mental health and substance abuse issues. Clinician work environments were worsened by the COVID-19 pandemic when high volumes of extremely acute patients overwhelmed healthcare systems. These conditions contributed to talent leakage industry-wide, with many clinicians and nurses leaving their current roles or the industry altogether. Furthermore, student enrollment in medical school, nursing programs, and medical assistant programs is lagging, meaning the talent pipeline is less robust than before, presenting a challenge to filling residual staffing gaps.

These conditions put healthcare at the forefront of industries facing labor challenges. Provider organizations, in particular, are contending with issues like low clinician morale, burnout, and understaffing. In our *2023 BDO Clinician Experience Survey*, 61% of industry leaders reported compassion fatigue and burnout as one of their top three challenges in the past 12 months.[1] Clinician burnout is compounding ongoing talent shortages and staffing challenges and makes clinicians more vulnerable to mental health and substance abuse issues.

These challenges have created a ripple effect across the healthcare industry. Staffing shortages, burnout, and behavioral health issues can lead to poorer quality of care and worse patient outcomes. At the same time, the current patient population requires more care because so many patients delayed seeking care during the pandemic. Family members of healthcare staff—such as children who were isolated from their frontline worker parents during the pandemic—are also facing greater rates of behavioral health issues.

There's also evidence that the pandemic impacted substance use among healthcare workers. A recent Nartional Institutes of Health study found that 32% of nurses surveyed reported an increase in substance use during the pandemic; 26% percent of those surveyed reported an increase in drinking.[2] Doctors and other providers with prescription authority have unique addiction risks because of their access to highly addictive drugs and their chronically stressful work conditions. A 2020 *Health Science Reports*research review found substance use disorders (SUDs) affect about 8% to 15% or about 1.3–2.3 million American healthcare professionals.[3] The same study found doctors and other providers use opioids at a rate five to eight times higher than the general public.

Because there is a stigma around mental health and SUDs in the industry, it is increasingly important for healthcare facilities—especially hospitals, due to the high-stress environment—to recognize and address behavioral health issues. One way in which hospitals can support better mental health in their workforce is to

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provide greater benefits under their health plans for mental health and substance use treatment.

The Mental Health Parity and Addiction Equity Act (MHPAEA) requires health insurers and group plans that offer mental health and SUDs benefits to provide the same level of benefits for mental and/or substance use treatment and services as they do for medical or surgical (med/surg) care.[4] Now that MHPAEA is being enforced more, healthcare organizations should evaluate themselves to certify they are compliant.

There are multiple reasons to ensure mental health parity and addiction equity in your organization's benefits offerings:

- **It's the right thing to do**. Healthcare staff provide a crucial service to their communities, and in doing so, they take on a significant burden. Offering the right support to ensure their health and safety is morally responsible.
- **It promotes talent retention**. Healthcare workers are in high demand, but staffing gaps persist. Workers are seeking the best opportunities that not only offer great compensation, but a competitive benefits package. Organizations offering industry-leading behavioral health benefits could have a competitive edge.
- **It promotes better care delivery**. Healthier, happier clinical staff tend to offer better care to patients. Staff who have access to behavioral healthcare when needed can care for themselves so they can care for others, improving the quality of care, patient outcomes, and patient satisfaction.

Approaching compliance

While complying with MHPAEA may seem daunting, getting started is only a two-step process.

1. **Your organization should work with your benefits vendors to understand your current benefits packages, and then identify and address gaps**. A benefits vendor can help you see where behavioral health benefits are not aligned with medical or surgical (med/surg) benefits, enabling you to determine how to achieve parity.
2. **Your organization should understand the financial implications of addressing current gaps**. Be aware of the up-front and ongoing costs of addressing parity. There will likely be a one-time cost to bringing your benefits offerings into compliance, followed by ongoing fees for coverage and services.

Organizations concerned about the financial implications of parity should conduct cost-modeling scenarios. This will help contextualize the financial implications of noncompliance and identify the cost benefits of various approaches to bringing your benefits into compliance. Organizations that are not compliant could face a minimum federal fine of $100 per day per person affected. State enforcement fines vary; in certain circumstances, the benefits sponsor and insurer can be sued for noncompliance.

Compliance challenges

While MHPAEA previously wasn't a top priority, enforcement is now on the rise, which means that organizations need to prioritize getting compliant. However, achieving compliance requires addressing several challenges:

- **Actuarial constraints and implications**. Organizations may not have focused on actuarial liabilities for behavioral health benefits as they might have for med/surg benefits. Putting financial values or treatment limits on behavioral health benefits may be more challenging from both a financial and compliance standpoint, but data exists.

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For example, if an insurer's explanation of benefits (EOB) requires 10 physical therapy sessions for neck stiffness before it will cover the costs of an MRI, what kinds of equivalencies are there for behavioral health? Perhaps a patient must attend 10 therapy sessions with a substance abuse counselor before the plan will cover a prescription for Naltrexone or before the patient is eligible for inpatient substance abuse treatment. Organizations should work with their benefits vendors to consult behavioral health providers who can identify appropriate treatment plans and help make these types of determinations.

- **Equitable limitations**. One of the top challenges with MHPAEA is aligning behavioral health benefits with med/surg benefits. Med/surg benefits often have more tangible or quantifiable treatment plans and limitations, whereas behavioral health is more ambiguous and can vary from patient to patient. Organizations often have compliance issues with both quantitative treatment limitations, such as equitable out-of-pocket limits and misalignments of copays, and nonquantitative treatment limitations, such as prior authorizations.

  For example, organizations must align the number of days covered in an inpatient facility for substance abuse care with the number of days covered for med/surg inpatient treatment. This can be challenging since different inpatient med/surg procedures can require varying lengths of stay and because addiction treatment is not one-size-fits-all. As a result, a provider may need to comply with multiple levels of parity.

- **Clinicians may need new notes**. Clinicians providing behavioral healthcare may need to revise how they write their notes. While practitioners providing med/surg care are very familiar with methods of documenting treatment plans that comply with insurance requirements, behavioral health parity may require different notetaking methods. In addition, insurers may increase scrutiny of behavioral health claims, especially as the new MHPAEA rules go into effect. Behavioral health clinicians will need to document their treatment plans and clinical notes in a way that maintains parity with the documentation of med/surg care.

  Getting clinicians to change how they document care and treatment plans for mental health may require some change management. But this change won't have to happen overnight. Clinical note-taking and treatment of behavioral health conditions will likely continue to evolve over time as both providers and payers acclimate to the changes sparked by the new MHPAEA rules.

Going beyond compliance

Given the ongoing challenges provider organizations and their staff members face, healthcare organizations should strive for more than just compliance. They should weigh methods of addressing the root causes of mental health and addiction issues, including stress, anxiety, depression, post-traumatic stress disorder, substance abuse, and physical health challenges. They should ask how additional benefits, like offering flexible work or childcare arrangements, might impact their workforce and overall culture.

Organizations can also use physical health programs to promote better mental health. For instance, an organization may consider setting up a small gym in their facility or offering free yoga classes. These offerings can lower stress, anxiety, and depression while promoting physical wellness. They may also reflect parity and recommendations for psychological issues. For example, cardiologists will often recommend a nutritious diet and exercise as part of a care plan for patients at risk for heart disease.

Benefits that surpass compliance may also have additional positive impacts in multiple business areas:

- **Offsetting costs**. Additional benefits could help offset the financial impacts of behavioral health parity on

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your organization. For example, benefits promoting nutrition, physical fitness, and mind/body wellness often offset insurance costs on the med/surg side. Organizations should discuss with their benefits vendor whether these types of offerings could impact the costs of their behavioral health coverage.

- **Attracting and retaining talent**. Industry-leading or competitive benefits can help attract and retain key talent—especially during a time when clinicians are reconsidering their career paths. The knowledge that care is available when needed can create a healthier, less stressed workforce and promote a culture that destigmatizes behavioral health treatment.
- **Improved continuity and quality of care**. Clinicians who take care of themselves can better care for their patients. Showing that your organization supports practitioners seeking behavioral health treatment creates an inclusive and empathetic work environment where all staff can rest assured that they can take time to care for themselves. Where possible, planned outages enable better continuity of care—especially in short-staffed departments—while reducing the burden on other colleagues.

Conclusion

In supporting the behavioral health needs of their workforce, healthcare organizations have an opportunity to create industry-wide change that goes beyond language in an EOB. While some up-front financial investment will be involved in achieving MHPAEA compliance, the benefits can outweigh the risks. In addition to avoiding noncompliance fines, this investment can pay qualitative dividends over time. It can help attract and retain talent and lead to happier staff in a better work environment—staff ready to provide quality patient care.

This is a crucial moment for provider organizations to demonstrate that they understand how the stresses inherent to the work their clinicians and other staff perform can contribute to mental health and substance abuse challenges—and that they're willing to be part of the solution.

Takeaways

- Healthcare organizations should ensure mental health parity and addiction equity in their benefit plans to support their workers who operate in a highly stressful environment.
- Offering mental health parity and addiction equity in benefits plans is the right thing to do; it promotes talent retention and leads to better care delivery.
- Healthcare organizations should approach the Mental Health Parity and Addiction Equity Act (MHPAEA) compliance by working with their benefits vendor to identify compliance gaps and understand the financial implications of addressing them.
- Challenges to becoming compliant with MHPAEA include actuarial constraints and limitations, equitable limitations, and documentation limitations.
- MHPAEA compliance isn't the end; offering additional mental health support to healthcare workers can offset costs, attract/retain talent, and improve care continuity and quality.

1 BDO, *Healthcare Takes on Clinician Burnout: The 2023 BDO Clinician Experience Survey*, 2023, https://www.bdo.com/getmedia/1259bf6f-2db7-4597-9aca-db630da89345/HC-2023-BDO-Clinician-Experience-Survey.pdf.
2 Eamonn Arble et al., "Increased Substance Use among Nurses during the COVID-19 Pandemic," *International Journal of Environmental Research and Public Health* 20, no. 3 (2023), https://doi.org/10.3390/ijerph20032674.

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3 Gretchen LeFever Watson, Nancy J. Selfridge, and Bruce E. Wright, “The opioid-impaired provider: A call for national guidance to maximize rehabilitation while protecting patient safety,” *Health Science Reports* 3, no. 4 (2020), https://doi.org/10.1002/hsr2.193.
4 BDO, “Mental Health Parity Compliance,” accessed November 16, 2023, https://www.bdo.com/insights/assurance/mental-health-parity-compliance.

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