

MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT EXEMPTION

Notice to Black Hawk County Employee

Medical and Prescription Drug Plan Participants

Under a Federal law known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191 as amended, group health plans must generally comply with the requirements listed below. However, the law also permits State and local governmental employers that sponsor health plans to elect to exempt a plan from these requirements for any part of the plan that is “self—funded” by the employer, rather than provided through a health insurance policy. Black Hawk County has elected to exempt the Black Hawk County Employee Medical and Prescription Drug Plan from the following requirements:

Parity in the application of certain limits to mental health benefits. Group health plans (or employers that employ more than 50 employees) that provide both medical and surgical benefits and mental health or substance use disorder benefits must ensure that financial requirements and treatment limitations applicable to mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements and treatment limitations applicable to substantially all medical and surgical benefits covered by the plan.

It is important to note that all Black Hawk County Employee Medical and Prescription Drug Benefit Plan options removed the inpatient stay and outpatient visit limitations on mental health and substance abuse benefits, effective July 1, 2011. Additionally, mental health and substance abuse benefits have the same deductible, coinsurance, and copay requirements as other medical and surgical benefits covered by the plan. Black Hawk County has filed the exemption because the plan designs currently do not meet the actuarial parity testing requirements as written in the final regulations effective for plan years beginning 7/1/2014.

The exemption from these Federal requirements will be in effect for the 2018-19 plan year, beginning July 1, 2019 and ending June 30, 2020. The election may be renewed for subsequent plan years.

If you have questions concerning this exemption, please contact the Black Hawk County Auditor’s Office at (319) 833-3002 or Human Resources Department at (319) 833-3009.