



MASSACHUSETTS

July 2010

Dear Valued Customer:

### July 1, 2010 Update to Federal Mental Health Parity

After we sent you information on the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) Interim Final Rule (the Rule), the Department of Labor issued a significant update to the Rule on July 1, 2010. This update redefined the testing approach for determining whether a plan satisfies parity requirements for mental health and substance use benefits. As a result of this new definition, all prior testing of our plans is being reconsidered.

### How Does This Change Affect Your Plan?

The Rule's new definition of "outpatient services" recognizes two distinct categories of outpatient services, causing office visits to be separated from all other outpatient medical services. In reviewing the additional guidance received from the federal government, we believe that fewer plans will need to change outpatient mental health copayments.

As a self-insured plan sponsor, you are responsible for ensuring your plan's compliance on anniversary, beginning July 1, 2010. Given the additional guidance received from the federal government on July 1, you may wish to reevaluate your planned approach.

### Actuarial and Benefit Design Support

As an additional service to assist you in determining compliance, Blue Cross Blue Shield of Massachusetts can conduct an Actuarial Testing Review of the financial requirements of your health benefit plan(s) that are effective for policy terms July 1, 2010 and later. The test will be limited to claims administered by Blue Cross Blue Shield of Massachusetts. If other parties administer your pharmacy benefits, we will perform the test upon request, depending on the receipt of all necessary information from you and/or your pharmacy vendor. We will not perform the test for health plans for which other parties administer mental health and substance use benefits. Once completed, Blue Cross Blue Shield of Massachusetts will provide you with a copy of the test results.

If you would like us to complete the test, please contact your account executive.

### Questions or Concerns?

As always, we are dedicated to keeping you informed about updates to our plans and plan administration services. Your account executive will be contacting you shortly to discuss your particular situation.

Thank you again for your health care partnership.

Sincerely,

Timothy J. O'Brien  
Senior Vice President  
Sales Division