



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 and other federal agencies (the Agencies) issued a significant update to the Rule on July 1, 2010. This update redefined the testing approach for purposes of applying the financial requirement and treatment limitation rules under MHPAEA. As a result of this new information, we are retesting our plans with the new criteria.

[How Does This Change Affect Your Plan?](#)

In the July 1 update, the Agencies indicate that when applying the Rule's financial requirement and treatment limitation tests to determine parity, insurers may divide benefits placed on outpatient services into two categories:

- Office visits
- All other outpatient items and services

In reviewing the additional guidance received from the Agencies, we believe that fewer plans will need to change outpatient mental health copayments. In place of the plan changes we announced prior to the July 1, 2010 guidance, we will now take the following actions:

- **For July 2010 Renewals and New Sales**—We will revert to original benefits with mental health copayments. As we update our systems over the next week, some members may be charged a \$0 copayment in the interim. Blue Cross Blue Shield of Massachusetts will absorb additional claims costs resulting from the \$0 copayment. In addition, the costs will not be part of claims used in experience for prospective rate setting.
- **For August and September 2010 Renewals and New Sales (up to September 25, 2010)**—We will not modify mental health copayments.

In the event that testing shows that your plan fails to achieve compliance, we will work with you to make necessary changes.

[Questions or Concerns?](#)

As always, we are dedicated to keeping you informed about updates to our plans. Your account executive will be contacting you shortly to discuss your particular situation. If you have any questions or comments, please contact your broker or account executive.

Sincerely,

Timothy J. O'Brien
Senior Vice President
Sales Division