Montana Mental Health Parity Reference Guide

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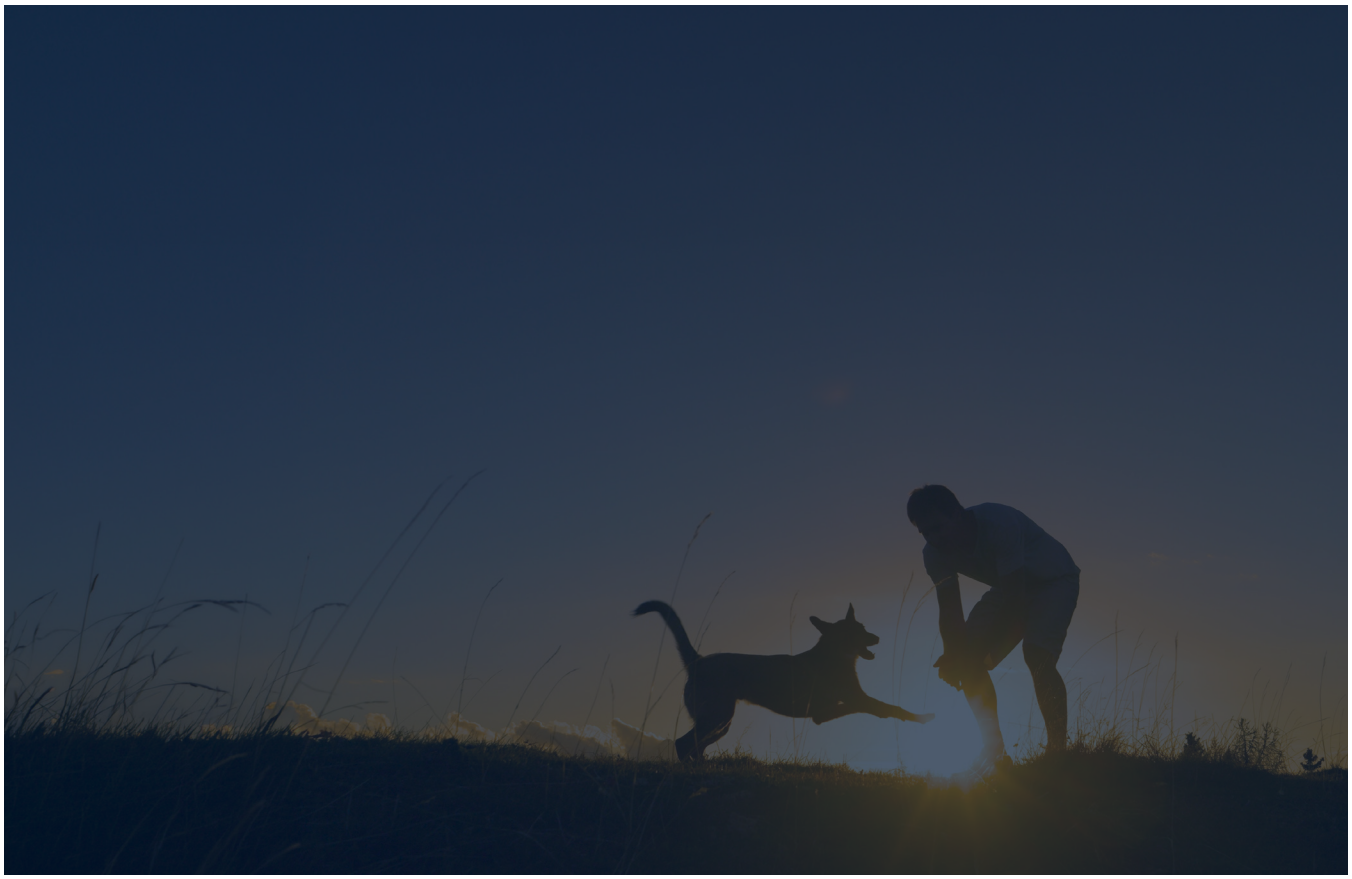

UNDERSTANDING MENTAL HEALTH CARE ACCESS IN MONTANA

Finding mental health care can be overwhelming. Between knowing where to turn for help, finding an available provider, and ensuring insurance covers treatment, Montanans face barriers before they ever receive care.

This resource was created to help make that process easier to understand.

Under federal and Montana law, health insurance plans must cover treatment for mental health and substance use in a way that is equal to treatment for physical health. This is known as mental health parity. But in reality, many people still face delays, denials, and limitations that make access and coverage difficult, especially in rural communities, for youth, and for those needing more intensive care.

Whether you are seeking care for yourself, supporting a loved one, advocating for your community, or working in the behavioral health field, this guide is here to help you better understand how the system works, navigate the mental health care system, and know what steps can be taken when barriers arise. Access to mental health care is not just important — it is your right.

DEFINITION

What mental health parity means for Montanans.
Mental health parity means that insurance companies are required to provide an equal level of benefits for the treatment of mental health and substance use as they would for the treatment of physical conditions.

In Montana, state law requires health insurance plans to provide comparable coverage for mental health and substance use treatment. This means that costs, coverage rules, and access to care should be similar whether an individual is seeking treatment for depression, anxiety, or substance use, or for conditions such as asthma, diabetes, or heart disease.

Parity applies to many aspects of health coverage, including:

- Copays and other out-of-pocket costs
- Limits on visits or treatment sessions
- Prior authorization and approval requirements
- Access to in-network providers
- Coverage for different levels of care and treatment services

However, having parity laws on the books does not always mean parity is happening in practice. Despite the Montana Mental Health Parity Act, Montanans' mental health coverage may not be meeting those standards, and many people don't even realize it. These challenges can be even greater in rural communities, where provider shortages and long travel distances make it harder to get the care people need.

Understanding what parity means is an important first step in understanding what fair access to care should look like.

ACCESS TO CARE

Parity Law applications and exemptions.

Most health plans are required to follow the Federal Parity Law, including most employer-sponsored group health plans and individual health insurance coverage.

However, the Federal Parity Law does not apply to Tricare, Medicare, or Medicaid fee-for-service plans.

Why access is about more than coverage.

Having health insurance does not guarantee access to care. Insurance coverage is an important part of access, but it is only one piece of the puzzle.

Even when a service is covered by insurance, consumers may still face barriers such as finding a provider who is accepting new patients, locating an in-network clinician, affording out-of-pocket costs, getting approval for treatment, or accessing the right level of care close to home.

For people living in rural or tribal communities, those challenges can be even greater. Long travel distances, provider shortages, and limited specialty care often make access more difficult, even when coverage exists.

Mental health parity helps ensure that insurance coverage is fair, but true access to care also depends on whether services are available and accessible when and where people need them.

Distinctions between Medicaid and private insurance

Both Montana Medicaid and private insurance must comply with state and federal mental health parity laws. However, there are differences in how coverage is issued.

Cost to Families:
Medicaid typically has little or no out-of-pocket cost for covered mental health services. Private insurance often involves copays, deductibles, or coinsurance.

Covered Services:
Montana Medicaid often provides broader behavioral health coverage than many private insurance plans, especially for children, crisis services, residential treatment, and intensive outpatient care. Private insurance may cover therapy and medication management but can leave gaps for crisis-level care.

Understanding Montana's Free Care Rule
For children and families, schools often serve as one of the most important access points for early intervention and support. The Free Care Rule is a Medicaid policy that historically limited schools' ability to seek reimbursement for student health services. Its reversal in 2014 meant that schools can receive reimbursement without charging families. This expanded schools' ability to provide behavioral health, counseling, nursing, speech, and other health-related services.

In Montana, this means:

- Schools receive additional federal Medicaid dollars.
- Expanded access to mental health services for children.
- Greater support in rural schools and districts where there might be workforce shortages.
- Schools can provide earlier intervention before problems become crises.

INSURER RESPONSIBILITIES AND CONSUMER RIGHTS

How to identify coverage inequities
Health insurance plans cannot require higher deductibles, co-payments, or out-of-pocket expenses for your mental health benefits than they do for other medical care.

Health insurance plans cannot limit frequency of treatment, number of visits, or days of coverage for your mental health care more so than they do for other medical care.

Health insurance plans cannot review mental health treatment more frequently to determine if it is medically necessary, or use more restrictive criteria for what is medically necessary than they do for medical care.

It's worth noting that not every denial is a parity violation. Determining whether that's the case often requires comparing how the plan treats mental health or substance use disorder benefits to comparable medical and surgical benefits.

Understanding patient rights and protections.

Montanans have the right to seek medically necessary mental health care without facing barriers that are more restrictive than those applied to physical health care. Federal and state laws provide protections intended to ensure mental health services are treated equitably and that insurance coverage decisions are made fairly.

Patient rights include:

- The right to equal insurance coverage. If a health plan covers mental health services, it generally cannot impose more restrictive financial requirements or treatment limitations than it does for comparable medical or surgical care under applicable mental health parity laws.

- The right to medically necessary care. Coverage decisions should be based on clinical need and the terms of the health plan — not on arbitrary distinctions between mental and physical health.

- The right to understand coverage decisions. Patients are entitled to receive an explanation when services are denied, reduced, or terminated, including information about how to appeal the decision.

- The right to accessible communication and language services. Patients have the right to receive information about their care in a way they can understand. Depending on individual needs, this may include interpreter services, translated materials, accommodations for hearing or vision impairments, and other communication supports to ensure informed decision-making.

- The right to appeal. Patients may challenge denials of care through internal appeals, external review, or Medicaid fair hearing processes.

- The right to privacy. Mental health information is protected by federal and state privacy laws, with limited exceptions.

- The right to receive care in the least restrictive appropriate setting. Particularly for children and individuals receiving publicly funded services, treatment should be delivered in settings that are appropriate to the person's clinical needs whenever possible.

Children have additional protections because early access to behavioral health care can significantly affect long-term outcomes.

NAVIGATING THE SYSTEM

What to do when patients hit a barrier.

Navigating mental health care can feel confusing, especially when patients are already in a stressful situation. Questions about referrals, in-network providers, denied claims, and treatment options can create additional challenges for individuals and families who are simply trying to get help.

If someone in Montana believes they've experienced a parity violation, their options vary based on the type of insurance they have. In general, the first step is to understand why the claim or service was denied, then use the applicable appeal and complaint processes.

Private insurance

If they have private insurance (employer-sponsored insurance, individual or Marketplace insurance, coverage purchased directly from an insurer), they can:

1. **Request the reason for the denial.** The insurer should explain why a service was denied or limited and provide information about the criteria used.

2. **File an internal appeal.** Federal law requires most health plans to have an internal appeals process for adverse benefit determinations.

3. **Request an external review.** If the internal appeal is unsuccessful, many plans are subject to an independent external review process.

4. **File a complaint with the appropriate regulator.**

    - Complaints can be filed with the **Montana Commissioner of Securities and Insurance**.

    - If the plan is a self-funded employer plan, oversight generally falls under the **U.S. Department of Labor**.

Montana Medicaid

If they have Montana Medicaid or Healthy Montana Kids (HMK) Plus, they can:

1. **Contact Montana's Mental Health Ombudsman** for help and guidance.

2. **Request a fair hearing or appeal** if a covered service is denied, reduced, or terminated.

3. **Work with their Medicaid managed care organization** to complete the plan's grievance and appeal process.

4. **Contact the Montana Medicaid program** for assistance understanding coverage decisions.

5. **Seek help from a legal aid** or advocacy organization if they believe the denial violates Medicaid requirements or federal parity laws.

Because Medicaid for children includes the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit, families may have additional grounds to challenge denials of medically necessary services for children under 21.

Documentation best practices.

Written documentation is important. Anyone pursuing a parity complaint should keep:

- Denial letters.
- Explanation of Benefits (EOBs).
- Prior authorization decisions.
- Treatment recommendations from providers.
- Records of phone calls and correspondence.
- Copies of the health plan's coverage documents.

Try to communicate in writing rather than relying only on phone calls. These records can be valuable during appeals or regulatory reviews.

Where to get help

People who need assistance understanding or challenging a denial can contact:

- **The Montana Commissioner of Securities and Insurance** (for many state-regulated private insurance plans).

- **The Montana Department of Public Health and Human Services** (for Medicaid coverage questions and appeals).

- **Montana Legal Services Association**, which may provide free or low-cost legal assistance to eligible Montanans with health coverage disputes.

- **Disability Rights Montana**, particularly when the issue affects a person with a disability or involves access to mental health services.

RESOURCES

Montana Resources

QUICK LINKS

Montana Mental Health Parity Act
Montana Code Annotated 2025

Montana Commissioner of Securities and Insurance
Get answers to questions and file a complaint.

Mental Health Ombudsman
Assistance with navigating the public mental health system, transitioning between services, and addressing issues and concerns.

Montana Department of Public Health and Human Services
Medicaid coverage questions and appeals.

ORGANIZATIONS

Behavioral Health Alliance of Montana
Committed to uniting behavioral health providers and reinforcing behavioral health as a foundational component in the state's health care system.
Can help with: *Public policy advocacy, informed communication, stakeholder coordination, and member networking opportunities.*

Montana Healthcare Foundation
A 501(c)3 private foundation that makes strategic investments to improve health in Montana.
Can help with: *Policy analysis, thought leadership, grant funding, technical and strategic assistance.*

The Montana Institute
Dedicated to fostering healthier, safer, and more supportive communities through innovative applications of the Science of the Positive and Positive Community Norms frameworks.
Can help with: *Developing custom solutions that transform community health, including introductory trainings and in-depth research.*

Montana Primary Care Association
Dedicated to improving quality, local, and affordable primary health care in Montana.
Can help with: *Training and technical assistance to health centers, especially for underserved and vulnerable populations.*

Montana Public Health Institute
Supports state, local and tribal public health agencies, healthcare and behavioral health system partners, statewide health organizations and community-based organizations to deliver effective public health programs and services.
Can help with: *Education, leadership development, partnership-building, funding, technical assistance, research, data analysis.*

National Alliance on Mental Illness (NAMI) Montana
Offers statewide support, education and advocacy for individuals and families.
Can help with: *Support groups, educational programs, and crisis resources.*

Rural Behavioral Health Institute
Builds school-based mental health systems that prevent suicide and targeted violence, while also improving mental health outcomes for young people.
Can help with: *Rural youth mental health screening and suicide prevention resources.*

Treasure State Strategies
Montana government relations and public affairs.
Can help with: *Government & regulatory relations, legislative strategy, public policy consulting, issue advocacy, direct lobbying, grassroots & grasstops campaigns.*

National Resources

The Rosalynn Carter Mental Health and Caregiver Program
Advancing mental health advocacy, policy, and storytelling through The Carter Center.
Can help with: *National mental health advocacy, educational tools, and caregiver resources.*

Mental Health Parity Newsroom Collective

Georgia Mental Health Parity

Inseparable
Advancing policies that help people thrive by expanding access to care, promoting youth mental health, improving crisis response, and strengthening the mental health workforce.
Can help with: *Policy influence, activism, coalition-building, research*

The JED Foundation
Protects emotional health and prevents suicide for our nation's teens and young adults.

Mental Health America (MHA)
Provides screening tools, educational resources and advocacy information.
Can help with: *Mental health screenings, education and self-guided resources.*

National Alliance on Mental Illness (NAMI)
Offers nationwide support, education and advocacy for individuals and families.
Can help with: Support groups, educational programs and crisis resources.

Substance Abuse and Mental Health Services Administration (SAMHSA)
A national resource for treatment locators, crisis support and mental health education.
Can help with: *Finding treatment, substance use support and educational resources.*