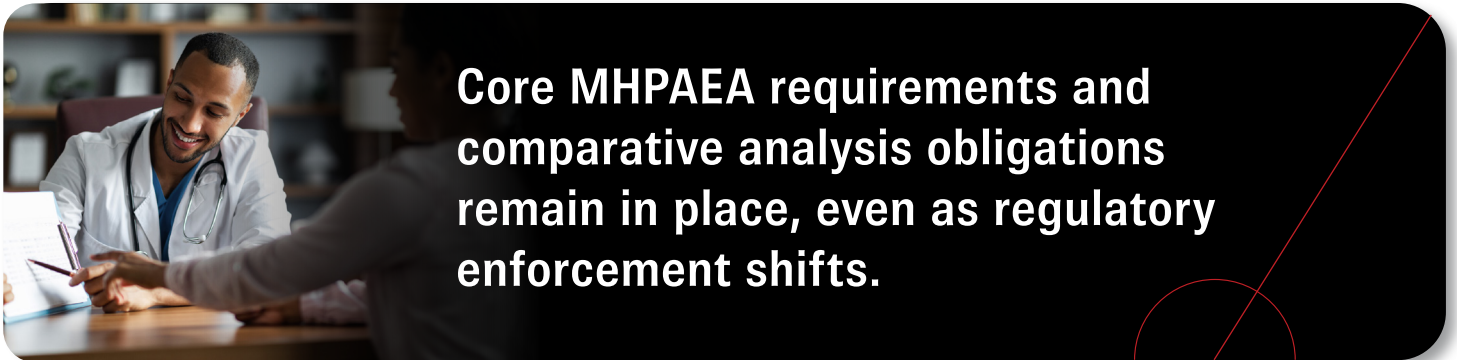


Mental Health Parity is Back in Focus



As Mental Health Awareness Month approaches, employers are getting ready to talk about support, resources, and wellbeing. That conversation matters. For employer-sponsored health plans, another topic also deserves attention right now: mental health parity. Recent regulatory shifts may have created some confusion, especially after the Departments of Labor, Health and Human Services, and Treasury announced a period of non-enforcement tied to the 2024 final rule while they reconsider it. Even so, the core requirements of the Mental Health Parity and Addiction Equity Act remain in place, along with the comparative analysis obligations added under the Consolidated Appropriations Act, 2021.¹

Mental health parity has moved into sharper focus as plans face greater scrutiny around design, administration, and access to care. Federal and state actions over the past several months have kept the issue front and center. For the broker audience, this is a timely opportunity to help clients take a closer look at how behavioral health benefits are working in practice and where access barriers may still exist.



Core MHPAEA requirements and comparative analysis obligations remain in place, even as regulatory enforcement shifts.

WHY THIS DESERVES ATTENTION NOW

At a high level, MHPAEA requires that if a health plan offers mental health or substance use disorder benefits, those benefits cannot be more restrictive than medical and surgical benefits. That principle has not changed. What has changed is the amount of attention being paid to how parity shows up in everyday plan operations, especially in areas that are less visible from a summary of benefits alone.¹

That matters because a changing enforcement approach does not remove the underlying responsibility. Plans and issuers are still expected to support their approach to non-quantitative treatment limitations, and employers still need to understand whether plan practices may be making behavioral health care harder to access than medical or surgical care.¹

WHERE PARITY ISSUES OFTEN SHOW UP

Some of the biggest parity concerns show up in plan administration and vendor operations. Prior authorization requirements, concurrent review, provider admission standards, reimbursement methodologies, network adequacy, and care management practices can all influence access to care. These are the kinds of non-quantitative treatment limitations that continue to draw regulatory attention because they can create barriers even when benefits appear balanced on paper.

A plan can look solid in a benefits grid and still create friction when someone tries to use behavioral health coverage. That can happen when employees struggle to find in-network providers, wait too long for appointments, face more demanding utilization management, or end up paying more out-of-pocket because adequate in-network access is not there. That is why parity deserves a broader conversation. The issue is not limited to what is covered. It also includes whether the plan makes covered care reasonably accessible.

Prior authorization, network adequacy, reimbursement methods, and care management can all affect how easily employees get behavioral health care.



WHAT RECENT ENFORCEMENT ACTIVITY IS SIGNALING

Recent enforcement activity shows how much attention this issue is still getting. In February 2026, the U.S. Department of Labor announced a settlement with Kaiser Foundation Health Plan tied to timely and appropriate access to mental health and substance use disorder services. The agreement included at least \$28.3 million in reimbursements to California enrollees and providers, a \$2.8 million penalty, and corrective actions tied to provider network adequacy, appointment wait times, and care review processes.²

State regulators are sending a similar message. In January 2026, Washington Insurance Commissioner Patty Kuderer fined Kaiser Foundation Health Plan of Washington \$300,000, with \$100,000 suspended, for MHPAEA violations tied to issues including provider standards and network adequacy documentation.³ That action followed earlier Washington fines against other major carriers and added to the momentum around behavioral health oversight.³

Georgia added another signal in January 2026, when Insurance and Safety Fire Commissioner John F. King announced nearly \$25 million in fines tied to mental health parity violations. The state said the actions followed audits and market conduct examinations focused on insurers' compliance with mental health parity laws.⁴ Taken together, these actions show that regulators are still paying close attention to how behavioral health benefits are administered, especially when access barriers and non-quantitative treatment limitations are involved.

A MORE STRATEGIC CONVERSATION FOR EMPLOYERS

This is where the conversation can become more useful. Instead of treating parity as a one-time request for documentation, it makes more sense to look at it as part of broader plan oversight. When was the comparative analysis last updated? Who owns that work? What data is being used to evaluate access? How are network adequacy concerns being identified and addressed?

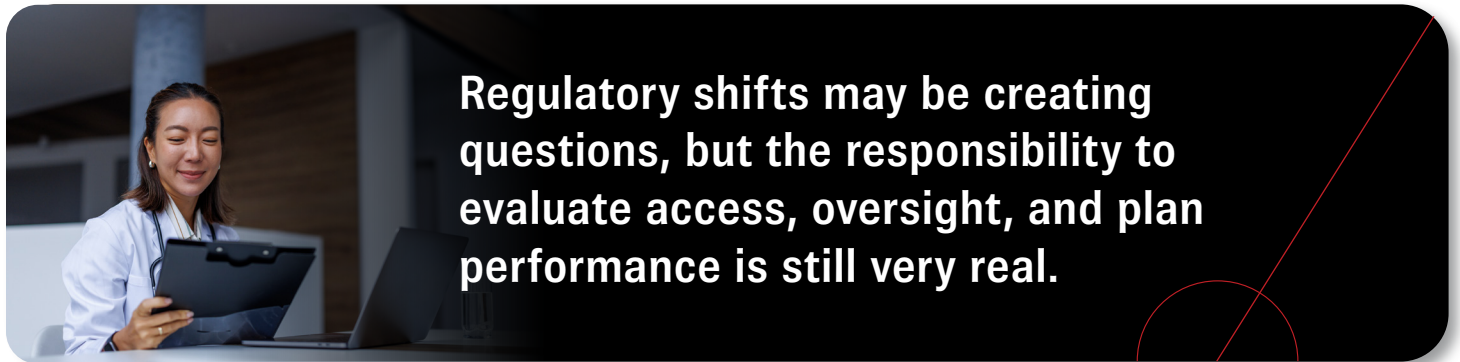
Can carrier and vendor partners explain how behavioral health benefits are being managed in practice, not just how the plan is intended to work? Those are the questions that help employers get a better read on plan performance.

That matters even more in a market where employers may hear mixed signals. A headline about non-enforcement can sound like a reason to pause. In practice, it should encourage employers and plan sponsors to look more carefully at documentation, vendor accountability, and the actual experience tied to behavioral health benefits. When the rules are in motion, stronger oversight still matters.

WHAT THIS MEANS AT RENEWAL AND BEYOND

Parity should also be part of a broader renewal and strategy conversation. Not as a standalone legal issue, but as one of the factors shaping plan performance, employee experience, and trust in the value of the health plan. Behavioral health access can affect absence, productivity, workforce stability, and the day-to-day experience tied to the plan. Recent federal and state actions only reinforce that point.

That does not mean every employer needs to make major plan changes immediately. It does mean this is a smart time to evaluate where visibility is limited, where vendor answers feel too generic, and where a closer review could surface issues before they become larger concerns. For many organizations, the most valuable next step may be a focused look at how behavioral health benefits are being administered today, what documentation exists, what data is available, and where follow-up is needed.



BOTTOM LINE

Mental health parity remains a meaningful issue for employer-sponsored health plans, even as the regulatory environment continues to shift. The underlying expectations have not disappeared, and neither have the operational decisions that can affect access to care. This is a good time to take a closer look at plan design, vendor oversight, and the real-world experience tied to behavioral health benefits.

CRC Benefits can help you lead that conversation. Our team works alongside you to bring clients practical guidance on complex benefits issues, identify the right questions to raise with carrier and vendor partners, and support smarter plan strategy in areas drawing heightened attention right now.

CONTRIBUTORS

- + **Misty Baker** is the Director of Compliance and Government Affairs for CRC Benefits.

ENDNOTES

1. U.S. Departments of Labor, Health and Human Services, and the Treasury, statement regarding enforcement of the final rule on requirements related to MHPAEA, May 15, 2025.
2. U.S. Department of Labor, Kaiser Foundation Health Plan reach settlement over access to mental health and substance use disorder services, February 10, 2026.
3. Washington State Office of the Insurance Commissioner, Kuderer fines Kaiser \$300,000 for MHPAEA violations, January 2026.
4. Georgia Office of Commissioner of Insurance and Safety Fire, Commissioner King issues nearly \$25 million in fines for mental health parity violations, January 12, 2026.