



2025 Mental Health Parity NQTL Reminders for Plan Sponsors

By now, most employers and other sponsors of group health plans should be familiar with the requirements under the Mental Health Parity and Addiction Equity Act of 2008, as amended (MHPAEA). The MHPAEA generally requires that mental health and substance use disorder benefits provided by a group health plan be no less favorable than the medical and surgical benefits provided by the plan. To achieve and demonstrate compliance, plans must meet specific, detailed requirements. Regulations issued late last year add to those requirements for 2025 and later.

The Consolidated Appropriations Act of 2021 (CAA) and its implementing regulations amended the MHPAEA to require that plans conduct a comparative analysis of the design and application of any non-quantitative treatment limitations (NQTLs), such as medical necessity reviews through prior authorization, imposed by the plan. The comparative analysis must demonstrate that the NQTLs applicable to mental health and substance use disorder benefits be no more burdensome than those applicable to medical and surgical benefits.

In September 2024, the U.S. Departments of Labor, U.S. Department of Health and Human Services, and U.S. Department of the Treasury released final regulations that make certain changes to the MHPAEA NQTL rules, the comparative analysis process, and related documentation.

New NQTL Requirements Effective in 2025

Effective on the first day of the plan year beginning on or after January 1, 2025, the following are required:

- **Fiduciary Certification** – For ERISA plans, one or more named plan fiduciaries must include a certification with the written NQTL Comparative Analysis stating that they have engaged in a prudent process to select qualified service providers to perform and document the comparative analysis in connection with the Plan’s NQTLs in accordance with the applicable guidance, and have satisfied their duty to monitor those providers as required by ERISA’s fiduciary rules.
- **Separate List of NQTLs** – Plans must prepare a written list of all NQTLs imposed under the plan (separate from the NQTL comparative analysis); the list must be provided to the named fiduciaries who complete the certification; and it must be made available to regulators upon request (e.g., the DOL or HHS, as applicable).

Additional Requirements Effective in 2026

Plan sponsors will need to be prepared to comply with even more MHPAEA requirements beginning with the 2026 plan year. We will summarize those requirements in a later blog post.

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