



BRIEFLY...

EBSA Faced Challenges Enforcing Compliance with Mental Health Parity Laws and Requirements

Why We Did the Audit

In accordance with Title I of the Employee Retirement Income Security Act of 1974 (ERISA), the Employee Benefits Security Administration (EBSA) is responsible for protecting workers' access to mental health and substance use disorder (mental health) benefits. This includes ensuring there is parity between mental health benefits and medical/surgical benefits.

EBSA enforces compliance with non-quantitative treatment limitation (NQTL) laws and requirements. However, in 2022 and 2023, EBSA reported that health plans and health insurance issuers were unprepared or provided insufficient information when EBSA requested a comparative analysis for review. EBSA also raised concerns about the complexity and challenges involved in its NQTL enforcement work.

Given these concerns, we performed an audit to answer the following question:

To what extent did EBSA enforce compliance with mental health parity NQTL laws and requirements?

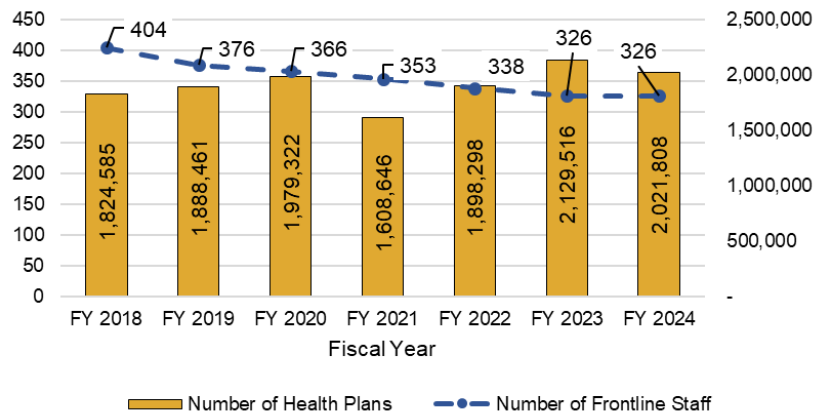
To answer our objective, we reviewed EBSA's NQTL comparative analysis review data. We also interviewed staff and surveyed stakeholders nationwide.

What We Found

Our audit identified challenges that limited EBSA's efforts to enforce compliance with mental health parity NQTL laws and requirements. Specifically, we found EBSA lacked critical tools to enforce compliance and deter parity violations, such as the ability to assess civil monetary penalties or bring actions against all responsible parties. EBSA did not use many of the enforcement tools within its authority to ensure health plans' compliance. It also took up to 3 years to complete NQTL comparative analysis reviews.

Many of these issues occurred because ERISA does not provide EBSA with the authority to assess and collect civil monetary penalties for parity violations or to bring enforcement actions against all responsible parties. EBSA also did not use many of its enforcement tools because it did not have a process to do so, or limitations deterred it from using them. The lack of statutory timeline requirements and diminishing resources, including staff, contributed to lengthy NQTL comparative analysis reviews (see Figure).

Figure: EBSA Frontline Staff Compared to Health Plans Subject to the Mental Health Parity and Addiction Equity Act



Source: OIG analysis of data provided by EBSA

EBSA's ability to enforce compliance with NQTL parity rules is diminished, which increases the risk of plan participants and beneficiaries paying expenses out-of-pocket for mental health treatments that should have been covered or not receiving these treatments altogether—treatments that are legally afforded to them.

What We Recommended

We made five recommendations for EBSA to pursue crucial legislative changes to increase authority, develop a referral process to help levy the excise tax, and provide NQTL guidance. EBSA largely agreed with and provided corrective actions in response to our five recommendations.

Read the Full Report

For more information, go to:

<https://www.oig.dol.gov/public/reports/oa/2025/09-25-001-12-001.pdf>.