

RESEARCH ARTICLE

[HEALTH AFFAIRS](#) > [VOL. 16, NO. 4](#)

The Politics And Economics Of Mental Health ‘Parity’ Laws

[Richard G. Frank](#), [Chris Koyanagi](#), and [Thomas G. McGuire](#)PUBLISHED: JULY/AUGUST 1997 [N/A](#) <https://doi.org/10.1077/hlthaff.16.4.100>

Abstract

Prologue:

“Politics is the art of the possible.” Here, the “possible” turns out to be the mandate for full parity because, instead of mandating full parity, the amendment became only partial parity. The original target, the Kassirer amendment, was the original target, the Kassirer amendment. Richard Frank, is that the

In this paper Frank and Koyanagi explore the forces that traditionally limited coverage of mental health care, the tortuous journey of the new parity amendment, and the challenges of ensuring access to mental health care in today's managed care world. Frank is a professor in the Department of Health Care Policy at Harvard University and a research associate with the National Bureau of Economic Research. He and McGuire are writing a book on mental health/substance abuse finance reform as a result of their joint 1994-1996 Robert Wood Johnson Foundation Investigator Award in Health Policy. Koyanagi is director of legislative policy at the Bazelon Center for Mental Health Law, in Washington, D.C. Her particular areas of responsibility are mental health care financing and children's mental health services. McGuire is a professor of economics at Boston University. He is the recipient of two sequential five-year Research Scientist Awards from the National Institute of Mental Health.

VIRTUAL EVENT

Perinatal Mental Health & Well-Being

April 3, 2024 | 1 pm ET

ABSTRACT: The enactment of the Domenici-Wellstone amendment in September 1996, which calls for the elimination of certain limits on coverage for mental health care under private insurance, is being hailed as a major step forward in the quest for “parity” in mental health coverage. Parity legislation is being introduced in a number of state legislatures and is finding new enthusiasm in Congress. In this paper we consider the efficiency rationale for these laws and examine their likely impact in the era of managed care. We conclude that although such successes represent important political events, they may offer only small gains in the efficiency and fairness of insurance markets.

TOPICS

[MENTAL HEALTH](#) | [MANAGED CARE](#) | [LEGISLATION](#) | [MENTAL DISORDERS](#) | [ETHICS](#) | [ACCESS TO CARE](#) | [COST SHARING](#) | [COSTS AND SPENDING](#) | [ADVERSE SELECTION](#) | [MARKETS](#)

Loading Comments...

HealthAffairs

1220 19th Street, NW, Suite 800

Washington, DC 20036

T 202 408 6801

F 301 654 2845

customerservice@healthaffairs.org

TOPICS

[Access & Use](#)
[Costs & Spending](#)
[COVID-19](#)
[Health Equity](#)
[Health Reform](#)
[Leading To Health](#)
[More Topics](#)

CONTENT

[Journal](#)
[Forefront](#)
[Scholar](#)
[Briefs](#)
[Events](#)
[Podcasts](#)
[Collected Works](#)

INFORMATION FOR

[Authors](#)
[Request For Abstracts](#)
[Reviewers](#)
[Subscribers](#)
[Advertisers](#)
[Media News Room](#)

Funders
Event Attendees

SERVICES & RESOURCES

Submit Content
Subscribe
Renew
Membership
Manage My Account
Purchase Content
Permissions
Alerts
Newsletter Sign Up
Advertising Kit

HEALTH AFFAIRS

About
Impact Report
Terms & Conditions
Privacy Policy
Jobs At Health Affairs
Fellowships
Contact Us



Standard of
Excellence
Winner



[Terms and conditions](#) | [Privacy](#) | [Project HOPE](#)

Health Affairs is pleased to offer [Free Access for low-income countries](#). Health Affairs gratefully acknowledges the support of many [funders](#).

Health Affairs is an official journal of [AcademyHealth](#).



SIXTY-FIVE YEARS OF
HEALING PEOPLE AND
TRANSFORMING LIVES

Project HOPE is a global health and humanitarian relief organization that places power in the hands of local health care workers to save lives across the globe. Project HOPE has published Health Affairs since 1981.

Copyright 1995 - 2024 by [Project HOPE: The People-to-People Health Foundation, Inc.](#), eISSN 1544-5208.