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Federal Agencies Announce Pause in Enforcement of 2024 Mental Health Parity Rule

May 21, 2025

On May 15, 2025, the U.S. Departments of Labor (DOL), Health and Human Services (HHS), and the Treasury (IRS) (collectively, “the Departments”) issued an anticipated nonenforcement policy regarding the 2024 Final Rule implementing the Mental Health Parity and Addiction Equity Act (MHPAEA). This follows a legal challenge to the 2024 Final Rule filed in January 2025 by the ERISA Industry Committee and is part of a broader regulatory review by the Administration. While this news is welcome relief for plan sponsors of group health plans, the nonenforcement policy merely simplifies and does not eliminate entirely the requirement for conducting a comparative analysis.

Background: 2024 MHPAEA Final Rule

The MHPAEA was amended by the Consolidated Appropriations Act, 2021 (CAA 2021) to add a new requirement for employers to annually perform and document a comparative analysis of their group health plans’ nonquantitative treatment limitations (NQTLs). On September 9, 2024, the Departments released new MHPAEA final rules (the “2024 Final Rule”) that updated how the Departments are to oversee whether health plans treat mental health and substance use disorder (MH/SUD) benefits differently than medical and surgical (M/S) benefits. In short, it specified how health plans were to analyze NQTLs for both types of benefits and required plans to remedy any disparity. The rules significantly impacted employers and their responsibilities relating to group health plans.

The primary area of focus in the final regulations was the comparative analyses requirement. Among other things, the final rules:

- Required fiduciary certification that plans used a prudent process to conduct their comparative analysis.
- Required “meaningful benefits” for MH/SUD conditions or disorders in every classification in which meaningful M/S benefits were provided.

- Prohibited plans and issuers from using discriminatory information, evidence, sources, or standards that systematically make it harder to access MH/SUD benefits as compared to M/S benefits when designing NQTLs.

Limited Enforcement During Review

The nonenforcement policy makes clear that the Departments will not enforce the new requirements of the 2024 Final Rule until a final decision in the litigation is reached, plus 18 months. However, the nonenforcement policy does not change obligations to comply with the CAA 2021 or the agency rules in effect prior to the 2024 Final Rule. This means that plan sponsors must continue to comply with the MHPAEA as they did prior to the release of the 2024 Final Rule, including the obligation for plans to perform and document NQTL comparative analyses.

However, the newer requirements introduced by the 2024 Final Rule – such as fiduciary certifications and specific analysis content standards – will not be enforced during this period.

The Departments also stated they are reexamining their overall enforcement approach under MHPAEA, signaling a possible shift in oversight strategy. However, they did not address anticipated enforcement changes nor how these would affect ongoing investigations.

Employer Action Items

While the nonenforcement policy offers short-term relief, MHPAEA compliance remains essential. Employers should take the following steps:

- Continue performing and documenting NQTL comparative analyses. Although the 2024 Final Rule is on hold, the CAA 2021 statutory mandate remains fully in effect. Plans must still conduct and document analyses to demonstrate compliance.
- Rely on prior guidance. Until further notice, employers should base compliance efforts on the 2013 final rule, FAQs About Mental Health and Substance Use Disorder Parity Implementation and the CAA 2021 Part 45, and sub-regulatory guidance issued by the Departments.
- Stay alert for regulatory updates. The Departments have signaled that guidance may be updated as part of their reexamination process.

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