

Coalition for Fairness in Mental Illness Coverage

May 27, 2004

The Honorable Bill Frist
United States Senate
Washington, DC 20510

Dear Senator Frist:

We welcome recent efforts in the Senate to bring the Senator Paul Wellstone Mental Health Equitable Treatment Act (MHETA), S. 486 or a Domenici/Kennedy substitute, to the Senate floor and urge that the Senate act at the earliest possible date.

With suicide claiming 30,000 American lives each year and mental illness the leading cause of disability and premature death in this country, Congress must take action on the President's call to end unfair treatment limitations and financial requirements on mental health benefits. The failure to end discriminatory practices that routinely close the door to needed mental health treatment takes a daily toll – in unemployment, broken homes, academic failure, other health problems and even suicide. Clearly mental health parity is an issue of family health-security.

A national survey conducted last month by Public Opinion Strategies for the Coalition for Fairness in Mental Illness Coverage found that 78 percent of Americans agree with the President that it is unfair for health insurance policies to routinely limit mental health benefits and require people to pay more out-of-pocket for mental health care than for any other medical care. More than 360 diverse organizations nationally support mental health parity legislation, including leading representatives of physicians, nurses, hospitals, educators, the faith community, families, children and veterans. With the overwhelming support this legislation enjoys, Senate passage is long overdue.

We recognize that some in the business community continue to raise “cost” concerns. But their comments ignore the facts: the most formidable costs to business lie in failing to treat mental illnesses. We urge you to weigh opponents' claims against the actual experience of business leaders who have voluntarily adopted parity. Consider, for example, the testimony of the CEO of Houston-based Ocean Energy, Inc., James T. Hackett, before the House Energy and Commerce Committee in support of this legislation:

“Too few businesses have really examined mental health parity – typically because of misunderstandings regarding mental illness, the erroneous belief that parity means additional cost, and misperceptions about the efficacy of treatment. I was one of those business leaders until my personal circumstances made me see what was going on in our own company. Today more than ever, managers of every business have the opportunity to support their employees while, at the same time, reducing the cost to their companies of mental health-related productivity losses... Mental health parity is good for American workers and good for the American economy, and for that reason I support the Mental Health Equitable Treatment Act.” (July 23, 2002)

Mental illness coverage. It's time to be fair by treating it equally in health care.

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Business opponents of the MHETA also express concern about the cost of the bill in the context of general health care inflation. We understand these concerns, but they are only part of a larger equation. National estimates have consistently found that American businesses already pay more than \$70 billion every year as a result of untreated mental illness in the workplace. The alleged cost of the MHETA will be more than offset by corresponding reduced business costs for sick leave, absenteeism, “presenteeism” and use of other medical care in lieu of appropriate mental health treatment. Based on the *actual experience* of several states that already have mental health parity, the average cost impact of implementing such enhanced access to treatment has been less than 1 percent of plan medical costs. While the cost of implementing the MHETA for plans that have less generous mental health care benefits will likely be higher than 1 percent, the CBO as you know has consistently found that the weighted average for all plans is 0.9 percent. And, as you also know, the actual employer share of these costs will be closer to 0.4 percent.

It is time to bury the myth that mental health parity will be costly. It is time to pass this legislation.

Sincerely,

The Coalition for Fairness in Mental Illness Coverage

National Alliance for the Mentally Ill
National Mental Health Association
American Hospital Association
American Managed Behavioral Healthcare Association
American Medical Association
American Psychiatric Association
American Psychological Association
Federation of American Hospitals
National Association of Psychiatric Health Systems

cc: United States Senate

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