

Mental Health Liaison Group

March 14, 2005

The Honorable J. Dennis Hastert
Speaker of the House
U.S. Capitol
Washington, DC 20515

The Honorable Bill Frist, M.D.
Senate Majority Leader
U.S. Capitol
Washington, DC 20510

Dear Mr. Speaker and Dr. Frist:

The undersigned organizations in the Mental Health Liaison Group, a coalition of national organizations representing the diverse interests of the mental health community, wish to express our deep concern about current legislation that would exempt association health plans (AHPs) from state regulation.

As you know, legislation to increase the availability of AHPs by exempting them from state health insurance reforms has been reintroduced in the 109th Congress as H.R. 525 and S. 406. While we certainly understand and support efforts to increase the availability of health insurance to those who lack it, we believe this cannot come at the price of undercutting major progress made by the states in requiring better coverage of mental health services and other critical consumer protections.

Improving access to mental health care is of primary concern to our members. Millions of Americans who have health coverage are denied the mental health care they need because of discriminatory limits on their coverage. Each year, less than a third of adults and even fewer children receive the mental health services they need. This denial of care makes little sense as treatment success rates for mental illnesses are often better than those for many physical illnesses.

Americans from all age groups and all walks of life need better access to mental health care. Untreated mental illness costs the American economy at least \$79 billion annually in lost productivity, absenteeism, unemployment and increased health costs. According to the CDC's National Center for Injury Prevention and Control, more than 30,000 Americans died from suicide in 2001 alone. Suicide is the third leading cause of death for young people aged 15-24 and the eighth leading cause of death for all U.S. men. While the elderly comprise 12 percent of the U.S. population, they account for 18 percent of suicides. Ninety percent of those who die by suicide have depression or another diagnosable mental or substance use disorder, underscoring the need for better access to mental health services.

The President's New Freedom Commission on Mental Health called the condition of our public mental health system "a shambles." To address the concerns we cite, President Bush called on Congress in 2002 to end discriminatory mental health coverage by health plans. In response, record numbers of Senators and Representatives from both political parties cosponsored mental health "parity" legislation in the 108th Congress. Over 36 states have passed some form of parity

laws for those insurance plans governed by state law, and 32 states require insurance plans to cover or offer at least a defined minimum amount of mental health benefits. This hard-won progress in the states would be undermined by legislation that exempts AHPs from state consumer protections and replaces them with negligible standards.

Although supporters argue that this AHP legislation would lower the cost of insurance for small businesses and thus increase coverage, the Congressional Budget Office (CBO) has predicted that 80% of workers in small firms would in fact face premium increases. CBO also estimates that any increase in coverage would likely be minimal because most of those covered by AHPs would have been previously covered by traditional plans. Thus the tangible benefit of the legislation is elusive, but the cost to those needing mental health services could be great because the price for AHPs includes weakening of crucial state laws such as those that prohibit discriminatory limits on mental health. This is a price we cannot accept.

While our organizations focus on mental health care, we note that we are joined in our concerns by governors, insurance commissioners and attorneys general. Consequently, we respectfully ask you to reconsider legislation that would unwisely exempt AHPs from state regulation such as mental health parity laws and other consumer protections.

Thank you for your consideration of our views.

Sincerely,

American Academy of Child and Adolescent Psychiatry
American Association for Geriatric Psychiatry
American Association of Children's Residential Centers
American Association of Pastoral Counselors
American Association of Practice Psychiatrists
American Counseling Association
American Group Psychotherapy Association
American Managed Behavioral Healthcare Association (AMBHA)
American Mental Health Counselors Association
American Nurses Association
American Occupational Therapy Association
American Psychiatric Association
American Psychoanalytic Association
American Psychological Association
American Psychotherapy Association
Association for Ambulatory Behavioral Healthcare
Association for the Advancement of Psychology
Bazelon Center for Mental Health Law
Children and Adults with Attention-Deficit/Hyperactivity Disorder
Clinical Social Work Federation

Clinical Social Work Guild 49, OPEIU
Depression and Bipolar Support Alliance
Eating Disorders Coalition for Research, Policy & Action
NAADAC, The Association for Addiction Professionals
National Alliance for the Mentally Ill
National Association for Children's Behavioral Health
National Association for Rural Mental Health
National Association of Anorexia Nervosa and Associated Disorders -- ANAD
National Association of Mental Health Planning & Advisory Councils
National Association of School Psychologists
National Association of Social Workers
National Association of State Mental Health Program Directors
National Coalition of Mental Health Professionals and Consumers, Inc.
National Council for Community Behavioral Healthcare
National Mental Health Association
Suicide Prevention Action Network USA
Therapeutic Communities of America