

# Mental Health Liaison Group

July 31, 2001

The Honorable John D. Rockefeller IV  
Chair, Subcommittee on Health Care  
Committee on Finance  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

The undersigned organizations are writing to request that the Subcommittee on Health Care consider holding a hearing on the delivery of mental health and substance abuse services through the Medicare program.

Since its enactment in 1965, only minor changes have been made in the Medicare mental health benefit. The state of the art of mental health treatment has improved dramatically over the past 30 years, and as a result the Medicare mental health benefit is severely out of date. Currently, Medicare beneficiaries must pay 50% of the cost of outpatient services, and coverage of inpatient services in psychiatric facilities is capped at 190 days per a beneficiary's lifetime. Medicare does not cover such important service settings as crisis residential programs, therapeutic family or group treatment homes, and residential detoxification and substance abuse treatment centers. Medicare coverage of mental health professionals is limited, reducing access to and choice of provider. Medicare does not cover such important outpatient and community-based services as psychiatric rehabilitation, intensive case management, and day treatment. Finally, Medicare does not cover prescription drugs, which are frequently a primary component of successful mental health treatment.

Current benefit limitations are having a serious impact on program beneficiaries. As an example, research shows that older Americans are the demographic group most at risk of suicide, a frequent outcome of untreated clinical depression. Lack of a strong mental health benefit also affects the non-elderly; Medicare is the primary source of health care coverage for the 5 million individuals with disabilities receiving Social Security Disability Insurance benefits, and it is estimated that more than 20 percent of these individuals have a diagnosis of mental illness and/or an addictive disorder.

Any Medicare legislation considered by this Congress must address the significant shortcomings in mental health benefits under the program. Legislation has been introduced by Senator Paul Wellstone, S. 690, the "Medicare Mental Health Modernization Act of 2001", which would significantly improve access to mental health treatment for all Medicare beneficiaries. We believe this legislation addresses a critical unmet need, and that a hearing on the topic of mental health benefits under Medicare would improve awareness and understanding of the issue among members of Congress.

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National organizations representing consumers, family members, advocates, professionals and providers  
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Our organizations would be pleased to assist you in identifying knowledgeable individuals to present this important health issue to the Subcommittee and the public at large. Thank you for your consideration of this request, and for your fine record of support and work on mental health issues.

Signed,

Alliance for Children and Families  
American Association for Geriatric Psychiatry  
American Association for Marriage and Family Therapy  
American Association of Pastoral Counselors  
American Counseling Association  
American Family Foundation  
American Federation of State, County, and Municipal Employees  
American Group Psychotherapy Association  
American Mental Health Counselors Association  
American Occupational Therapy Association  
American Psychological Association  
Anxiety Disorders Association of America  
Association for the Advancement of Psychology  
Bazelon Center for Mental Health Law  
Clinical Social Work Federation  
Federation of Behavioral, Psychological and Cognitive Science  
International Association of Psychosocial Rehabilitation Services  
National Alliance for the Mentally Ill  
National Association for Anorexia Nervosa and Associated Disorders  
National Association for Rural Mental Health  
National Association of Counties  
National Association of Psychiatric Health Systems  
National Association of School Psychologists  
National Association of Social Workers  
National Coalition for the Homeless  
National Council for Community Behavioral Healthcare  
National Mental Health Association  
Tourette Syndrome Association