

Chairman Frank Pallone, Jr.

Opening Statement

**Health Subcommittee Hearing:
H.R. 1424, the Paul Wellstone Mental Health and Addiction Equity Act of 2007**

June 15, 2007

Good morning. Today we are holding a hearing on "H.R. 1424, the Paul Wellstone Mental Health and Addiction Equity Act of 2007." My colleagues, and the chief sponsors of HR 1424, Congressmen Patrick Kennedy of Rhode Island and Jim Ramstad of Minnesota, are here with us this morning.

To their great credit, they have been the most vocal proponents in Congress for requiring parity in insurance coverage of mental health conditions. Together they have crisscrossed the country to bring national attention to their cause and develop support for their legislation. To date, they have garnered 268 cosponsors and have demonstrated that this is not a partisan issue. We thank them for all they have done.

To establish the pressing need for this legislation, we will be hearing from witnesses about the current problems individuals confront when they seek insurance coverage for mental health and addiction treatment services. It will be made clear that in spite of widespread recognition that mental illness and substance abuse are treatable illnesses, there exist glaring inequities between health insurance coverage for mental health and that for other medical conditions.

Health insurance plans often impose stricter treatment limits and higher out-of-pocket expenses on mental health care than on care for other illnesses. This discrimination prevents many from getting the treatment they need to function normally. As a nation, we can no longer afford to ignore this disparity in coverage because the cost to families, and to society in general, is simply too high.

On February 26, I hosted a forum in Trenton, N.J. on mental health parity with Congressman Kennedy, mental health professionals, advocates, and individuals who experienced discrimination when they sought mental health services for themselves or their families. Their stories demonstrated to me the pain and anguish that accompanies mental illness when it goes untreated. Their personal accounts revealed that denying treatment for a mental illness can be just as life-threatening as denying surgery to a cancer or heart patient.

The inequities extend across all age groups. For instance, it is estimated that over two-thirds of children with mental health conditions do not get the treatments they need.

In my own state, we have what is considered a limited mental health insurance parity statute. It requires that all "biologically-based" mental illnesses be covered on a par with all other illnesses. It does not provide parity for what have been called "non-biologically based" conditions, such as post traumatic stress disorder, substance abuse and eating disorders. Fortunately, thanks to the efforts of advocates and enlightened legislators,

a measure for full parity has cleared many hurdles and is making its way toward passage in the NJ State Legislature.

Many other states are moving on their own toward full parity and already 11 have comprehensive statutes. I believe that any legislation we pass on the federal level should recognize the value of these stronger state laws and serve as a federal floor of covered benefits beneath which no state law should sink.

The Kennedy-Ramstad bill recognizes this by not pre-empting existing state laws with greater protections. This sets it apart from parity legislation under consideration in the Senate sponsored by Senators Kennedy and Enzi--legislation that is certainly a major step forward, but not quite as comprehensive.

The Kennedy-Ramstad bill also sets a high standard by requiring coverage of disorders offered to members of congress and their staffs through the Federal Employees Health Benefits Program.

Our witnesses today will report on the costs associated with providing this more comprehensive mental health parity. Employers have experienced cost increases of less than one per cent as a result of implementing full parity laws. In fact, it appears that the cost of doing nothing is far greater for individuals, families, our health care system and economy. This will be also discussed in more detail by our witnesses.

In conclusion, it seems that almost every day, a major news story breaks that has at its root an untreated mental health problem: A college

student shoots his classmates, a mother drowns her own children, kidnappings, suicides, drug and alcohol addiction. The next day's story is about the subject's deteriorated mental condition, which many people knew about, and the failure or inability of that person to get mental health counseling and treatment.

By putting mental health on a par with other conditions, we will be improving the availability and affordability of healthcare for those with mental health and substance abuse conditions. This will not only reduce these horrific, public incidents, but also the every day pain and anguish of many of our constituents and their families who suffer in silence.

I thank our witnesses and our Members for coming today and look forward to their comments on this most important legislation.