

Congressional Hearing on Mental Health and Substance Abuse Parity

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House Ways and Means Hearing on Mental Health and Substance Abuse Parity

On March 27, 2007, the House Ways and Means Subcommittee on Health held a hearing to discuss mental health and substance abuse parity legislation, H.R. 1424, and Medicare mental health parity, H.R. 1663. The Ways and Means Subcommittee on Health is chaired by Rep. Fortney "Pete" Stark (D-CA). The Republican Ranking Member is Rep. Dave Camp (R-MI). Other Representatives in attendance included Rep. Kind (D-WI), Rep. Dogett (D-TX), Rep. Ramstad (R-MN), and Rep. Hulshof (R-MO).

The hearing was broken down into three panels: the first focusing on congressional perspectives on the need for mental health and substance abuse parity, the second focusing on non-governmental [organizations](#) for mental health and substance abuse parity, and the third focusing on the actuarial impact of enacting mental health and substance abuse parity. It should be noted that H.R. 1424 and H.R. 1663 are two separate bills addressing mental health and substance abuse parity.

A two-page overview of HR 1424 - the Paul Wellstone Mental Health and Addiction Equity Act of 2007 – is attached as further information.

A two-page overview of bill is attached for your convenience.

Overview of Hearing

Prior to the panel discussion Chairman Stark noted his strong support for this parity legislation, but noted some concerns. His main concern was that if a state already has very strong parity laws in place, that this federal law would in some way preempt the state law. He stated that before he can vote in favor of the legislation, the preemption piece needs to be worked out.

Panel I:

- **The Honorable Jim Ramstad**, Representative, State of Minnesota.
- **The Honorable Patrick Kennedy**, Representative, State of Rhode Island

In their panel discussion both members of Congress, who serve as cosponsors of the legislation, focused on the need to enact mental health and substance abuse parity (HR 1424) by focusing on their own experiences with substance use disorders. In particular Rep. Ramstad noted, "this important legislation would prohibit health insurance companies from imposing discriminatory barriers to mental health and addiction treatment through limited treatment stays and higher copays, deductibles and cost-sharing-discriminatory barriers that don't exist for other diseases." Both members of Congress have been strong champions of legislation helping those with substance use disorders and are strong champions of the passage of mental health and substance abuse parity.

Panel II:

- **David L. Shern, PhD**, President and CEO, Mental Health America
- **Kathryne L. Westin, MA, LP**, Eating Disorders Coalition for Research, Policy and Action
- **Michael Quirk, PhD**, Director, Behavioral Health Service, Group Health Cooperative.

This panel discussion focused on the mental health aspect of the legislation, especially focusing on the non-governmental organization perspective on the bill. Dr. Quirk spoke about

Washington State's mental health parity law and how "federal parity legislation would extend this protection nationwide, protect those covered by self-funded employers, and further improve equity of Washingtonian's access to needed mental health and substance abuse services." Dr. Shern spoke on the Mental Health Parity Act of 1996 and how said legislation was groundbreaking, but does not do enough to protect people with mental health and substance use disorders from facing insurance discrimination. Kitty Westin told the personal story about her daughter who suffered from an eating disorder, was denied medical coverage for such, and subsequently died at the age of 21. All of the above panelists focused on the need for better insurance protections for those facing mental health and substance use disorders.

Panel III:

- **Eric Goplerud, PhD**, Director, Ensuring Solutions to Alcohol Problems, George Washington University
- **Ronald W. Manderscheid, PhD**, Director of Mental Health and Substance Use Programs, Constella Group LLC.
- **Henry T. Harbin, MD**

This panel discussion focused on Medicare mental health and substance abuse parity or HR 1663. In his remarks, Dr. Goplerud noted that "the proposed Medicare parity legislation would resolve crucial problems caused by the existing Medicare benefit design, especially the much higher co-payment requirements for outpatient treatment of mental health and substance use conditions." In closing, he noted that the benefits of parity outweigh the slight increase in initial cost. Dr. Manderscheid noted that the proposed Medicare mental health parity legislation would be a "productive and cost-effective way to deliver mental health and substance use care services." In closing, all panelists spoke in favor of HR 1663 or the Medicare parity legislation, as they believed it would reduce costs for inpatient mental health and substance use services.