



LEAGUE OF WOMEN VOTERS® OF WISCONSIN

EDUCATION FUND

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To: All Assembly Representatives

Re: Support for Mental Health and Substance Abuse Parity Act

The League of Women Voters of Wisconsin believes that insurance companies should provide the same level of coverage for participation in all phases of substance abuse and mental health treatment as they do for other types of inpatient and outpatient treatment. In the 2003 and 2005 legislative sessions, the League supported bills which promised good progress toward the eventual goal of parity for mental illness and substance abuse treatment. This session we support the Wisconsin Mental Health and Substance Abuse Parity Act, SB 362/AB 512.

The federal Wellstone-Domenici Act, which became law in 2008, applies to group health plans offered by employers of 51 or more employees. By expanding this to smaller employers, the Wisconsin Mental Health and Substance Abuse Parity Act will address the gap in the federal law that affects more than 700,000 Wisconsin residents.

Our position is based on studies conducted over the past 30 years that show no significant increase in total health care costs when mental health and substance abuse insurance parity are included in health insurance plans. Federally sponsored research has repeatedly confirmed the efficacy and cost-effectiveness of treatment to counteract the powerful effects of addiction and help patients regain control of their lives. The best treatments for serious mental illnesses today are highly effective; studies have shown that as many as 9 out of 10 individuals dealing with mental illness have improved quality of life with a combination of pharmacological and psychosocial treatments and supports. Without treatment the consequences of mental illness for the individual and society are staggering: unnecessary disability, unemployment, substance abuse, homelessness, inappropriate incarceration, suicide and wasted lives.

Six states – Connecticut, Maryland, Minnesota, New Mexico, Rhode Island and Vermont – have implemented parity laws for small businesses. The result has been no significant cost increases and no significant rise in small businesses dropping health coverage. In fact, the costs to business of disability, absenteeism, lost productivity and unemployment insurance claims due to mental illness and addiction are greater than the cost of mental health parity. Following implementation of mental health parity for state employees in Ohio and Minnesota, there was an overall saving in healthcare costs. According to Medic, an independent consulting organization, costs rose just 26 cents per member per month after Minnesota adopted comprehensive parity in 1995.

We add our name to the list of organizations in the New Day Coalition to achieve more equitable access to medical and community care for persons diagnosed with mental illness and substance abuse disorders. We urge you to support SB 362/AB 512, the Mental Health Parity Act.