



AMERICAN  
PSYCHOLOGICAL  
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## **Congress Should Enact A Mental Health Parity Bill This Year**

**A strong push is needed to pass a mental health parity bill into law this year. The Senate has passed a strong bill, and the House has now passed a similar bill, but time is short. Please urge negotiations now between the House and Senate so that mental health parity can become law this year.**

The Senate mental health parity bill (S. 558), sponsored by Pete V. Domenici (R-NM), Edward M. Kennedy (D-MA) and Michael B. Enzi (R-WY), was passed by a unanimous vote on September 18, 2007. The House passed H.R. 1424, sponsored by Patrick Kennedy (D-RI) and Jim Ramstad (R-MN), on March 5, 2008 on a vote of 268 to 148.

**The Senate and House bills are very similar and both fully protect consumers by—**

- Completely ending insurance discrimination against mental health and substance use disorder benefits by requiring full parity coverage with physical health benefits.
- Preserving strong state parity and consumer protection laws while extending parity protection to 82 million more people who cannot be protected by state laws.

**Differences between the Senate and House parity bills can be worked out so that ultimately negotiations produce a bill that can pass the Senate and is acceptable to the House.** While the bills are similar in many respects, there are differences to be addressed. These primarily concern: how the range of diagnoses to be covered will be specified, how the law will address the management of benefits by health plans, and how out-of-network services will be covered.

**The Congressional Budget Office projects that House and Senate parity bills would raise average health plan costs by only 0.4%.** This cost increase is shared between the employer and employee, with the employer typically paying a third of the total.

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**Pass parity this year: Employers continue to pay the cost of untreated mental disorders.**

- Indirect costs of untreated mental health disorders result in a \$79 billion annual loss to businesses due to loss of productivity and absenteeism.
- Indirect costs of poor employee health, such as absenteeism, disability and lost performance at work are two to three times higher than the direct medical costs.
- Total cost of presenteeism (productivity loss resulting from real on-the-job employee health problems) is estimated to be more than \$150 billion a year. Mood disorders alone are estimated to cost more than \$50 billion per year in lost productivity.
- American employees used about 8.8 million sick days in 2001 due to untreated or mistreated depression.
- Depression results in more days of disability than chronic health conditions such as heart disease, hypertension, and diabetes.

**Pass parity this year: Behavioral health problems have a large yearly cost to employers and the nation.**

- Anxiety: Total cost \$42.3 billion; 88% of the cost per worker suffering from anxiety is attributable to decreased productivity.
- Depression: Total cost \$83.1 billion; \$26.1 billion (31%) in direct medical costs, \$5.4 billion (7%) in suicide related mortality costs, and \$51.5 billion (62%) in workplace costs.
- Substance Abuse: Total cost \$246 billion -- \$148 billion for alcohol, \$98 billion for drugs. Lost productivity accounts for \$162 billion of the total cost.

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