

**Statement of Chairman George Miller  
Committee on Education and Labor  
Consideration of H.R. 1424,  
The Paul Wellstone Mental Health and Addiction Equity Act of 2007  
July 18, 2007**

\*\*\*

Today, the Committee on Education and Labor will consider the “Paul Wellstone Mental Health and Addiction Equity Act,” named in honor of the late Senator Wellstone, who vigorously fought for better treatment of mental illnesses.

The legislation, H.R. 1424, was introduced by Congressmen Patrick Kennedy and Jim Ramstad and has 268 co-sponsors.

Today, 44 million Americans suffer from mental illnesses, which are sometimes life-threatening. Only one-third of Americans with mental illnesses receive treatment for them.

Although 46 states have laws governing treatment for mental illnesses, many people are still left without sufficient mental health coverage.

According to a 2004 survey by the American Psychological Association, 87 percent of Americans believe that a lack of insurance and high costs are the leading factors that prevent people from seeking mental health services.

Last week, the Health, Employment, Labor, and Pensions Subcommittee heard testimony from Amy Smith, who spent 45 years battling a schizoaffective disorder. Amy was beginning to contemplate suicide when she was admitted to a mental health hospital.

Thanks to Medicaid, Amy then finally received the care she had needed for so long, and today she is fortunate to have a job with health insurance that provides adequate coverage for mental illness. But many,

many more Americans, who live each day with a mental illness, still lack this coverage.

A key part of the problem is that private health insurers generally provide less coverage for mental illnesses than for other medical conditions.

Health plans tend to impose lower annual or lifetime dollar limits on mental health coverage, limit treatment of mental health illnesses by covering fewer hospital days and outpatient office visits, and raise deductibles and co-payments beyond a point that is reasonable.

An employer study conducted by the Kaiser Family Foundation in 2002 found that, while 98 percent of workers with employer-sponsored health insurance had coverage for mental health care, 74 percent of those covered workers were subject to annual outpatient visit limits, and 64 percent of those covered workers were subject to annual inpatient day limits.

The lack of mental health parity among insurers has, in part, been attributed to concern that mental health disorders were nearly impossible to diagnose; expensive to cover; and often untreatable. While that may have been true in the past, it isn't true today.

At last week's hearing, former First Lady Rosalynn Carter, who has been working on mental health issues for more than 35 years, testified that back then "no one understood the brain or how to treat it. Today everything has changed – except stigma, of course, which holds back progress in the field."

Mrs. Carter is right. In 1999, then-Surgeon General David Satcher issued a report on mental health which found it to be very similar to other medical conditions. The study concluded that effective treatments exist for most mental disorders.

It is time for us for us to work together to end the stigma and provide fair coverage to those in need.

It is critical that this Congress pass the strongest bill possible to provide adequate coverage to individuals who suffer from the debilitating effects of mental illness.

The bill before us today would close the gap in coverage for people without adequate mental health coverage.

H.R. 1424 amends the Employer Retirement Income Security Act (ERISA) and the Public Health Service Act (PHSA) to prohibit employer group health plans from imposing mental health treatment limitations, financial requirements, or out-of-network coverage limitations unless comparable limitations and requirements are imposed upon medical-surgical benefits.

The bill does not require group health plans to provide any mental health coverage. However, if the group health plan does offer mental health coverage, then there must be equity between mental health coverage and all comparable medical and surgical benefits that the plan covers.

The plan must cover the same range of mental illnesses and addiction disorders covered by the federal employee health plan that Members of Congress use.

The bill will improve access to treatment for mental illness. It will provide meaningful benefits by defining the scope of the benefits to be covered under a health plan. It will not preempt stronger state mental health parity laws.

Opponents of H.R. 1424 and mental health parity in general argue the bill will significantly increase cost for employers. But there is considerable evidence demonstrating that providing mental health parity is cost effective and could even reduce costs to employers by eliminating

the need for medical care and emergency room visits that result if mental illnesses are left untreated.

Milliman, Inc., an independent firm of actuaries and consultants, concluded that the Kennedy-Ramstad bill would increase costs for employers by 0.6 percent or less, while significantly decreasing out-of-pocket costs for employees – by 18 percent.

The Government Accountability Office concluded that mental health parity was likely to increase employers' costs by only about 1 percent.

Congressmen Kennedy and Ramstad are courageous for their tireless efforts to help individuals and families who struggle everyday with mental illness, and I applaud them for all of their hard work.

I would also like to recognize the dedication and commitment of Senator Wellstone's family. We know how important this issue was to Paul and we are honored to mark up this legislation.

Over 191 national organizations have endorsed H.R. 1424, including the American Medical Association, the American Federation of Teachers, the Betty Ford Center, and the American Occupational Therapy Association.

I strongly support this legislation, and I urge my colleagues to vote for it today.

Thank you.