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# NCOIL TO VOTE ON MENTAL HEALTH PARITY MODEL AT ANNUAL MEETING

Albany, NY, October 17, 2001 –  Sen. Edward Oliver (MN) today announced that the National Conference of Insurance Legislators (NCOIL) will discuss and vote on a proposed Mental Health Parity Model Act on November 15.  The model would require that those who suffer from mental illnesses have the same access to medical treatment as those who suffer from physical illnesses.  The Health Insurance Committee will address the issue during the NCOIL 2001 Annual Meeting, scheduled for November 15 through 18 at the Marriott Mountain Shadows Resort in Scottsdale, Arizona.

            In making the announcement, Sen. Oliver, who chairs the Committee and is one of the bill's sponsors, said:

"The Health Insurance Committee decided at the NCOIL Summer Meeting that this issue warranted further discussion.  Legislators have heard from all sides on the issue and are now interested in debating the model amongst themselves.  The Committee will meet in Scottsdale to address concerns such as discrimination, costs to small businesses, and health insurance mandates."

Sen. Oliver noted that concern about a number of issues had delayed an NCOIL position on mental health parity.  He said that

"During the past year and a half, NCOIL has addressed issues including the possibility for over-utilization and the potential abuse of benefits, as well as different interpretations of what constitutes "mental illness."  As currently drafted, the NCOIL legislation offers a number of coverage options and may serve as a template on which states can model their own laws."

A statement released by the Health Insurance Association of America (HIAA) spoke to the mandate issue by saying that, "The costs of all mandates are ultimately paid by employers and consumers in the form of reduced coverage, higher premiums or lower wages, and lost employment.  HIAA would caution NCOIL to carefully consider adopting model legislation which could result in decreased access to health coverage."

However, the proposed model has the support of people such as former First Lady Rosalyn Carter, who now chairs the Carter Center's Mental Health Task Force.  In a letter to NCOIL, Mrs. Carter wrote that full parity would "increase insurance premiums by less than one percent."  The statement also said that:

"The main objection to parity is the belief that insurance costs would dramatically escalate.  In fact, it is much more cost effective to diagnose and treat mental illnesses in the early stages than to allow them to develop into serious problems that can require a long-term hospitalization."

            The proposed NCOIL Mental Health Parity Model Act would provide coverage for mental illness that is at least equal to the coverage provided for physical injury or illness and would offer four major options:

        coverage under either an individual, small group, or large group policy;

        a mandate or an optional mandate;

        a broad-based or a biologically-based definition of mental illness; and

        coverage for alcoholism and substance abuse services.

The NCOIL Health Insurance Committee has been working to develop a model that would satisfy legislators, as well as both the insurance industry and mental health advocacy organizations.  According to Assem. Nancy Calhoun (NY), another sponsor of the bill, "There is sufficient flexibility to generate the necessary support for passage as a model act."

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