



# Michigan Partners for Parity

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## MENTAL HEALTH PARITY TALKING POINTS – January 2009

- Lack of parity for mental health is blatant discrimination against persons who have brain disorders. This discrimination would never be tolerated for conditions like heart disease and cancer, nor would it be tolerated based on race, ethnicity, gender or religion. When polled, 83% of Michigan voters (and 90% of labor households) supported state legislation to establish mental health insurance parity.
- Experience in other states and with 9 million federal employees (who have had comprehensive parity since 2001) shows that the direct costs of parity are miniscule – typically a 1% premium increase or less. Governmental action requiring parity creates a large enough pool of covered lives so that the insurance risk is widely spread and costs are extremely low. (Bachman, R. MI Senate Health Policy, 2006)
- Recent studies of parity in states and in the Federal Employees Health Benefit Program reported in the *New England Journal of Medicine* (Goldman, Frank et al, 2006; 354:1378-1386) and in *Health Affairs* found that elimination of caps on mental health coverage does not lead to increased utilization or spending on these services--and premium increases attributable to parity would be less than half of 1%.
- The negligible direct cost of parity is more than offset by increased employee productivity; decreased absenteeism; less use of emergency rooms and medical resources; and other benefits to employers and society. (Mental Health: A Report of the Surgeon General, National Institute of Mental Health, 1999)
- Several studies have suggested that children are the hardest-hit age group when it comes to inaccessibility of services due to lack of parity. (Busch, S.H. and C.L. Barry. “Mental Health Disorders in Childhood: Assessing the Burden on Families,” *Health Affairs*, Volume 26 No 4, July -August 2007)
- There is no evidence that parity legislation causes employees to lose other benefits or be dropped from health insurance coverage. Renowned parity actuarial expert Ronald Bachman has written “that the (mental health parity) cost debate is over. How many studies are needed to prove the point?” Not one state has attempted to revoke parity laws. Twenty states have enhanced coverage after initial legislation. (National Conference of State Legislatures. “State Laws Mandating or Regulating Mental Health Benefits,” May 22, 2006)
- Governor Granholm’s 2004 Mental Health Commission strongly recommended parity legislation for Michigan. In addition to points like those above, the Commission recognized that parity law can decrease pressure on the state’s under-funded and over-burdened public mental health system.