

April 4, 2022

The Honorable Frank Pallone, Jr.
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office building
Washington, DC 20515

The Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2322 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Pallone and Ranking Member McMorris Rodgers,

The undersigned organizations write in support of the Mental Health Justice and Parity Act of 2022 (H.R. 7254), which is being considered by the Committee at the April 5th hearing "Communities in Need: Legislation to Support Mental Health and Well-Being."

This legislation not only provides for grants to state and local governments to expand the use of behavioral health professionals in response to mental health and substance use disorders (MH/SUD) emergencies, but also contains an important provision that closes a critical gap in health insurance coverage for MH/SUD treatment for frontline workers. This provision would sunset the ability of self-funded, non-federal governmental health care plans that cover first responders, public school teachers, and other city and state workers to opt-out of protections provided by the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (Federal Parity Act).

President George W. Bush signed the bipartisan Federal Parity Act into law to protect those needing MH/SUD treatment. The law requires health plans to cover MH/SUD treatment in a manner not less restrictive or more costly to enrollees than for physical health treatment. With few exceptions, Americans in all Medicaid and commercial health plans nationwide receive the Federal Parity Act's protections against discriminatory coverage for illnesses of the brain. Yet, according to the [Centers for Medicare and Medicaid Services \(CMS\)](#), 180 state and local government plans have opted out of these mental health and substance use disorder parity protections. Importantly, 99.5% of the more than 34,000 self-funded non-federal governmental plans nationwide do *not* opt out.

For the hundreds of thousands of frontline workers and their family members who are covered by the 0.5% plans that have decided not to comply with the Federal Parity Act, they often face blanket exclusions, as well as procedural and financial roadblocks when they seek MH/SUD treatment for themselves or their family members. The challenges of seeking needed services for a child with autism or who has a substance use disorder are hard enough without the stress and financial burdens of finding out your health care plan does not have to play by the rules Congress set for nearly every other health plan.

Extending parity protections to frontline workers covered by these plans is all the more important as we begin to emerge from the pandemic. Overdose deaths have skyrocketed, and

trauma and [burnout](#) among frontline workers has significantly increased. Private sector insured and self-funded plans are working to improve MH/SUD coverage and comply with the Federal Parity Act. All self-funded, non-federal governmental plans should be doing the same.

Complying with parity is likely to be cost-neutral or even to save on overall health care costs. Milliman, the independent research firm, has demonstrated that untreated and undertreated mental health and substance use disorders [drive physical health care costs much higher](#). Implementing parity [has not been found to increase costs](#). Depression alone costs employers [\\$44 billion](#) in lost productivity each year. Additionally, the Federal Parity Act allows a plan to request to be exempted from parity rules if the plan projects a 1% increase in premiums due to parity compliance. CMS has confirmed that no plan has ever received – or indeed ever applied for – such an exemption.

For frontline workers whose children are part of the well-documented mental health crisis among our youth, the failure of their health plans to provide parity protections can have devastating outcomes. The obstacles of higher deductibles for mental health treatment, stricter prior authorization requirements, limited benefits or more arduous medical necessity determinations than would be applied to physical health benefits can leave parents unable to provide their child with needed treatment even though they have health care coverage. In plans that have decided not to comply with the Federal Parity Act, families are left with no recourse, because they cannot challenge discriminatory coverage denials that violate parity requirements.

For these reasons, we ask you to support phasing out parity opt-outs. No family – but especially our frontline workers – should have to worry that their loved one will not have MH/SUD treatment covered when they need it.

Sincerely,

The Kennedy Forum
AFSCME
National Education Association
National Alliance on Mental Illness
American Foundation for Suicide Prevention
The American Osteopathic Academy of Addiction Medicine
American Psychological Association
American Society of Addiction Medicine
Inseparable
Meadows Mental Health Policy Institute
Mental Health America
NASW
National Association of Addiction Treatment Providers
The National Board for Certified Counselors (NBCC)
National Health Law Program
Partnership to End Addiction

SMART Recovery
Addiction Professionals of North Carolina
California Consortium of Addiction Programs & Professionals
CADA of Northwest Louisiana
Connecticut Certification Board