

The Issue

Parity defined: If a plan offers a mental or addictive disorder health benefit, it must be equal to the medical benefit the beneficiary is entitled to. Parity does not mandate a plan to offer mental health and/or addiction treatment benefits, only to match what is offered regarding the medical benefit.

Addiction is a brain disease and the objective of enacting parity is to achieve the same medical coverage for brain disorders equal to those for other organ systems and medical conditions (relapsing diseases such as diabetes).

Legislative Initiatives currently before Congress are a step in the right direction and will help Addiction Professionals build momentum for more comprehensive legislation.

Why Should the Federal Government Take a Role in This Issue?

Market forces become "market failures" when addressing a disease mired in stigma and discrimination. NAADAC believes that a federal law is appropriate to correct the current market failure that places an unfair burden on American taxpayers who must pay for the social consequences of insufficient employer provided coverage.

If alcoholism and drug addiction is not treated when an individual has employer provided insurance, the costs of addiction only increase. They simply become a negative externality, causing costly problems in other areas of the public and private systems.

When families run out of insurance, as well as personal and retirement savings to pay for treatment, they turn to the public system where costs are picked up by federal, state, county, or city treatment programs. Additional costs are shifted to the community in terms of crime and loss. At these stages of treatment, the costs skyrocket and, in addition to a loss of productivity in the workplace, families are inextricably altered due to the lack of treatment and exacerbation of the disorder.

Costs of alcoholism and drug addiction are also shifted back to the private health system which must deal with numerous alcohol and drug related accidents and diseases such as cirrhosis, fetal alcohol syndrome, AIDS, stroke, Hepatitis C, and Cancer. Costs may also be shifted to the criminal justice system, which deals predominately with individuals with addiction

disorders and substance abuse problems.

NAADAC's Perspective on Behavioral Health Parity

NAADAC supports mental health and substance abuse parity legislation at both the state and federal level.

Large scale savings would accrue due to parity and increased accessibility of treatment in lives saved, fewer highway deaths, reductions in theft, reductions in illegal drug trafficking and related violence, reduced use coverage for "medical illness," lower employee absenteeism and greater employee productivity.

We can choose to continue to allow addiction to place an unfair financial burden on taxpayers and exact a terrible toll upon affected American workers and their families, or we can ensure that our health system begins to recognize alcoholism and drug addiction as diseases and treat them, thus saving lives, restoring families, and improving communities.