

**Connecticut
Psychiatric
Society**

*District Branch
American Psychiatric
Association, Inc.*

Testimony on

**Senate Bill 1121 – An Act Concerning Mental Health Parity and
the Administration of the Charter Oak Plan**

Public Health Committee

March 16, 2009

Good afternoon Senator Harris, Representative Ritter and members of the Public Health Committee. I am Dr. Vlad Coric, President of the Connecticut Psychiatric Society, and a practicing psychiatrist in New Haven. I am here today to submit testimony on behalf of the nearly 800 members of the Connecticut Psychiatric Society in support of Senate Bill 1121 – An Act Concerning Mental Health Parity and the Administration of the Charter Oak Health Plan.

We understand the difficult task before this legislature in trying to secure health care for the underinsured and uninsured and while we applaud the efforts that have gone into creating the Charter Oak plan, but the omission of mental health benefits in the creation of the original plan is not only contrary to state law but also economically short-sighted. Raised Bill 1121 would correct that by requiring that the plan include treatment for mental illnesses.

As you know, in 1999, this legislature enacted full mental health parity into law. The intent of this law was to guarantee that citizens of this state who need treatment for mental illnesses would not be discriminated against. Sadly, the Charter Oak plan, presently supports that discrimination.

Charter Oak endorses the extension of the stigma against the mentally ill, whose illnesses are real, and who deserve to have their treatment covered by health plans. In most cases, they carry on or return to

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productive lives, just as those with physical illnesses do. Over 50 million adults suffer from mental disorders or substance abuse disorders on an annual basis (Health Care Reform for Americans with Severed Mental Illnesses: Report of the National Advisory Mental Health Council, Am J Psychiatry 150:10, October 1993).

The high cost to society of untreated and under treated mental illnesses has been well documented. A National Institute of Mental Health sponsored-study revealed that mental and addictive disorders cost over \$300 billion. This includes productivity losses of \$150 billion, health care costs of \$70 billion and other costs (e.g., criminal justice) of \$80 billion. Further a recent study examining six major medical conditions -- including hypertension, diabetes, lung diseases, and arthritis -- found only severe heart disease to be associated with more disability and interruption of daily functioning than depression. (Id.) It is obvious that not treating mental illnesses is more costly than doing so. In its 1993 landmark report to Congress, the National Mental Health Advisory Council concluded that parity coverage for severe mental illnesses would result in a net savings of \$2.2 billion a year. In addition, a State of California study in 1994 demonstrated that for every \$1 spent to treat alcohol and drug disorders, taxpayers were saved \$7 in future costs.

Since 1999, you as the legislature have stipulated that those with mental illness have the same rights to treatment as those with any other illness. It is impossible to justify depriving this small group of uninsured citizens of the same benefits that other citizens receive. We hope that you will support adding parity on mental health benefits to the Charter Oak plan.

We are ready and willing to work with this Committee to make sure that those who need health insurance get it and that they get all the benefits that they should have.

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