



MEMORANDUM IN OPPOSITION

FOR IMMEDIATE RELEASE: MAY 23, 2011

Re: A.4285 (P. Rivera)/No Senate Sponsor – AN ACT to amend the public health law and social services law, in relation to establishing mental health parity in public health insurance plans.

90 State Street • Suite 825
Albany, NY 12207-1717
518.462.2293
Fax: 518.462.2150
www.nyhpa.org

This legislation, A.4285, proposes to expand mental health parity to the Family Health Plus and Child Health Plus programs. The New York Health Plan Association (HPA) opposes this legislation as it will increase costs for these programs and make them unaffordable to the individuals and children who would otherwise be uninsured.

Mental health parity otherwise known as “Timothy’s Law,” established parity in the provision of mental health services provided in all large group policies by requiring coverage of these services be “at least equal to the coverage provided for other health conditions” and mandated a standard mental health benefit (30 inpatient days/20 outpatient visits) for all small group policies issued in New York. The legislation also created new comprehensive mental health coverage for children with specific diagnosis. The New York Health Plan Association (HPA) worked diligently with lawmakers and advocates in crafting the Timothy’s Law legislation that was ultimately adopted. It is important to remember that this legislation was a carefully fashioned compromise that sought to broaden coverage of mental health services in a meaningful way while also recognizing the need to maintain affordability of this new coverage.

The federal mental health parity legislation that was enacted extended mental health parity to self-insured plans. This is a significant expansion of mental health parity that the state law did not cover. The federal law prohibits group health plans from establishing treatment limitations for mental health and substance-related treatment coverage that are more restrictive than for other medical benefits for days of covered treatment. The law also provides that any mental health or substance-related disorder benefits shall include benefits for any conditions included in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association. This federal legislation does not preempt state laws, like Timothy’s Law, that provide greater consumer protections and benefits.

New York is facing difficult economic times, as is the nation as a whole. It is being felt in virtually every household in New York. This legislation will increase costs for New York State as well as the beneficiaries of Medicaid managed care plans, Child Health Plus and Family Health Plus programs. The exact cost of this expansion of benefits is unknown. The legislation does not appropriate funds for these increased services and, in fact, the recently approved 2011-2012 State Budget actually cuts total health care spending.

At a time when many New Yorkers are struggling to afford the health insurance coverage they have, this legislation is unaffordable and ill advised. HPA urges you to oppose A.4285 and focus instead on solutions that will make insurance more affordable and more available to more New Yorkers.

The New York Health Plan Association represents 25 managed care health plans that provide comprehensive health care services to nearly 7 million New Yorkers.