



NEWS ...

From ... State Representative Lou Lang (D-Skokie)

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Lang Bill Aims to Add State Enforcement to Federal Mental Health Parity Insurance Requirement

Bill Adds Substance Abuse Treatment, Autism Care to Insurance Parity

(Springfield, IL) – A legislative plan to put state enforcement power behind a new federal mental health parity law is advancing in the Illinois General Assembly.

The legislation, House Bill 1530, which the Illinois House approved, 79-32, on April 6, upgrades Illinois' existing mental health insurance parity law to match federal requirements approved in July 2010 and to give the Illinois Department Insurance the power to enforce the federal standards.

“Federal enforcement is a more remote, lighter touch, relying on telephone calls and mail,” said House Deputy Majority Lou Lang (D-Skokie). “By matching state law to the federal standards, the Illinois Insurance Department can enforce the federal standards more aggressively than the federal government could by virtue of state face-to-face enforcement activities.”

Lang noted that neither the federal nor state law mandate mental health insurance as defined benefit, but require mental health coverage if other health benefits are offered.

“The federal law does not require coverage for mental and emotional disorders, but does require parity if such coverage is offered for hospital or medical treatment,” said Lang.

In addition to bringing Illinois' mental health law into compliance with federal standards, Lang's bill also adds substance abuse treatment and autism care to the list of parity required health insurance benefits.

“Addiction health care and autism health care are vital parts of the broader field of behavioral health care,” said Lang. “And their inclusion as part of a insurance parity framework is critical.”

These provisions are applicable to any plan of a small employer (with 2-50 employees), according to Lang.

“Again, the law does not require coverage for mental, substance abuse or autism,” said Lang. “It only requires parity if other health care treatments are offered.”

Illinois Department of Insurance Director Michael McRaith has noted before an earlier House committee hearing that the independent U.S. Congressional Budget Office found that parity would only cause health insurance premiums to rise by 0.4 percent.

Moreover, research shows that patients that have completed substance use disorder treatment have been shown to reduce emergency room visits by 39%, hospital stays by 35% and total medical costs by 26%, according to Howe.

“House approval of this legislation is an important step toward bringing health insurance parity to addiction health care,” said Lang. “However, the Senate is another key legislative hurdle in the process.”

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