



STATE OF WASHINGTON
WASHINGTON STATE BOARD OF HEALTH

PO Box 47990 • Olympia, Washington 98504-7990

February 9, 2007

The Honorable Eileen Cody, Chair
House Health Care and Wellness Committee
Washington State House of Representatives
Post Office Box 40600
Olympia, Washington 98504-0600

Dear Representative Cody:

I am writing as chair of the Washington State Board of Health to support House Bill 1460, which is scheduled to be heard by your committee on February 12. This bill would extend the mental health parity legislation passed in 2005 to cover individual and small group plans.

According to the public health standards for Washington State, one of the key roles of public health is to assure access to care. In 2001, as its contribution to the Public Health Improvement Plan, the Board published its *Menu of Critical Health Services*, which sought to answer the question: Access to what? This menu contained only those services thought to have a predictable and demonstrated benefit to the health status of the greater community—or whose absence was thought to adversely affect the health status of the community at large. A variety of behavioral health and mental health services were included in this menu.

Lack of insurance or inadequate insurance coverage is clearly a barrier to access. In 2005, the Legislature made sure that most people in the state would have the same level of coverage for mental illness as they already had for physical illness. Unfortunately, it did not extend these benefits to more than a half million people with individual and small group coverage. The Board would be remiss in meeting its obligation to assure access to critical health services if it did not take this opportunity to support parity for these two groups.

The research on mental health parity consistently makes the case that the relatively modest premium increases that might result would be offset many times over by social benefits. Many of these benefits accrue to small business in the form of less absenteeism, higher productivity, and less turnover.

We realize that insurance mandates are cumulative, and that even modest increases in premiums may lead businesses to reduce or eliminate employee insurance offerings. They also may lead individuals to choose not to purchase insurance that is available to them. One of challenges facing health policy makers is to determine the degree to which insurance coverage is a personal choice designed to protect individuals from risk according to their own tolerances, and the

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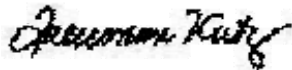
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degree to which it is a funding mechanism designed to share risk across the population, assure equitable access to critical health services, and protect the government from having to shoulder undue financial responsibility for preventable illnesses, high-cost chronic conditions, catastrophic health events, and avoidable social costs in areas such as criminal justice. While this debate may rage for some time to come, there are times when the benefits that individuals and society derive from coverage mandates so far outweigh the incremental costs that the debate over the proper role of health insurance becomes irrelevant. I believe that is the case with mental health parity.

Thank you for taking up this critically important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Treuman Katz". The signature is written in a cursive, somewhat stylized font.

Treuman Katz
Chair

cc: Senate Health & Long-Term Care Committee Members
Washington State Board of Health Members
Ms. Christina Hulet, Governor's Executive Policy Office
Mr. Brian Peyton, Department of Health
Mr. Craig McLaughlin, Washington State Board of Health