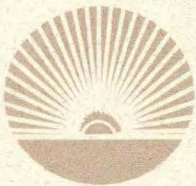
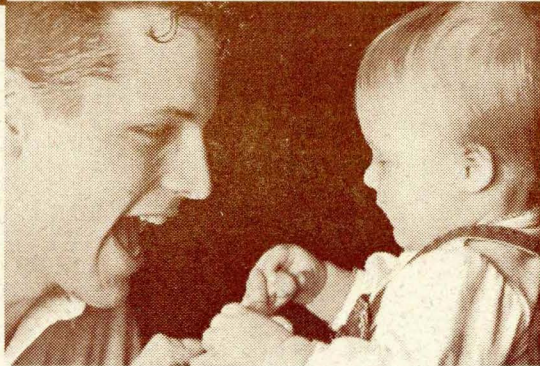


MENTAL HEALTH



SUBSTANCE
ABUSE PARITY



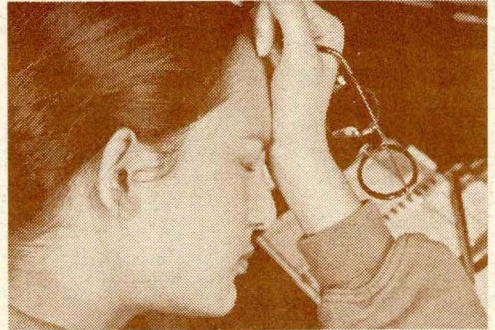
IOWA DEPARTMENT OF PUBLIC HEALTH

Thomas J. Vilsack, Governor ■ Sally J. Pederson, Lt. Governor ■ Stephen C. Gleason, D.O., Director

What is Mental Health and Substance Abuse Parity?

Health plans offered by employers typically provide less coverage for mental health and substance abuse treatment than for general medical and surgical services.

Some states and the federal government have begun to require that mental health and/or substance-abuse treatment be covered in the same way as other medical care. This concept is known as “**parity**”.



Why Mental Health and Substance Abuse Parity?

Untreated mental and substance abuse disorders can lead to lost worker productivity, unsuccessful relationships, significant dysfunction, and continuing problems in caring for children.

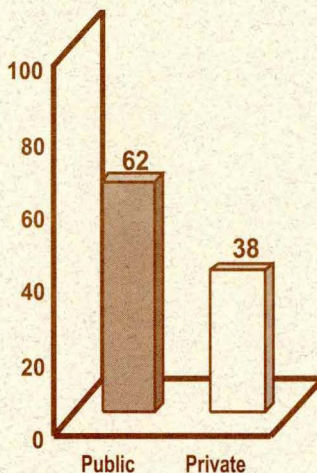
Virtually everyone knows someone with a mental health or substance abuse disorder.

- One in five Americans experience a mental disorder in the course of a year.
- Fifteen percent of all adults who have a mental disorder also experience a substance abuse disorder.
- Ten percent of American adults and children use mental health services in any year.
- Mental disorders, mental health problems, and substance abuse problems appear in families and children of all social classes and backgrounds.
- Only 1/3 of children and adolescents who need mental health care actually receive treatment.

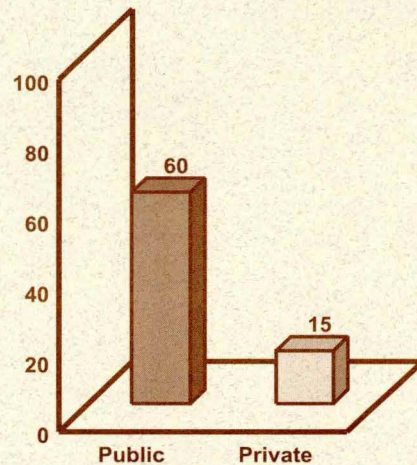
What about Iowa?

- Iowa has nearly 108,000 adults ages 19 and above with a serious mental illness.
- The incidence of a serious emotional disorder among children and adolescents (0-18) is 10% to 12% with an estimated total of 85,000 children in need of mental health intervention.
- 200,000 adults are substance dependent and in need of treatment.
- Suicide is the second leading cause of death among Iowa youth aged 15-24. Almost all youth suicides have a diagnosable and treatable mental health problem.
- Approximately 92,000 substance-dependent adult Iowans report physical abuse before age 18.
- Even though 90% of Iowans are insured, sixty percent of Iowa substance abuse and 62% of mental health treatment programs are funded with public dollars.

Private vs. Public Dollars for
Iowa Mental Health
Treatment and Prevention

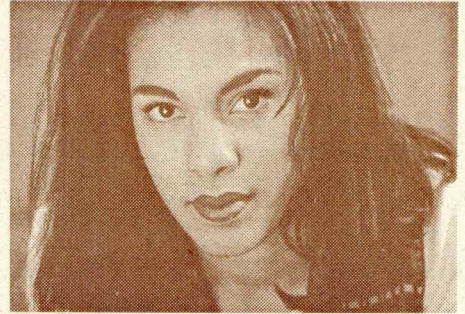


Funding Sources for
Iowa Substance Abuse
Treatment Programs



Parity is Cost Effective

Premium increases average only 3.6 percent for full mental health/substance abuse parity. Managed care plans experienced less than one percent increase.



- \$23 billion in lost work days a year is the estimated cost of clinical depression.
- \$4 is returned for every dollar invested in substance abuse treatment.
- \$9 is the estimated savings by employers for each dollar spent on depression treatment.
- In North Carolina, parity resulted in an increase of only 0.9 percent in premiums, resulting in an increase of \$1.01 per member per month.
- The largest insurance plan in Maryland, which implemented parity in 1995, showed a small increase in the first year with a return to pre-parity costs the second year.
- Mental health and substance abuse disorders, if left untreated, cost everyone. Sixty percent of employee absences are due to psychological problems.
- According to the World Health Organization, mental disorders and drug abuse account for the second highest disease burden--higher than cancer and respiratory conditions.

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