



AMERICAN BENEFITS
COUNCIL

March 3, 2008

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable John Boehner
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi and Republican Leader Boehner:

I am writing on behalf of the members of the American Benefits Council (Council) regarding H.R. 1424, the Paul Wellstone Mental Health and Addiction Equity Act of 2007, which the House of Representatives is expected to consider this week. The Council represents major employers and other organizations that collectively sponsor and administer health and retirement benefit plans covering more than 100 million Americans.

Our members highly value and have long recognized the importance of effective health coverage for the treatment of both physical and behavioral conditions. Indeed, because of our members' commitment to these services, we have repeatedly urged that Congress either continue current federal parity standards for mental health coverage or modify them only in ways *that would not add to plan costs or increase the complexity of plan administration*, which could unintentionally risk a reduction in coverage for these or other benefits provided to employees and their families.

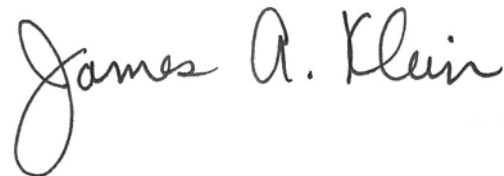
We respectfully submit that, as currently drafted, H.R. 1424 does not meet this standard; whereas the mental health parity measure passed by the Senate does do so. It is absolutely essential that employers have flexibility in plan design with respect to benefits in and out of network, protection of the ability to ensure quality care through medical management practices, and federal uniformity in plan administration and remedies. Employers rely on these measures when providing all other health care services, and certainly legislation intended to ensure *parity* should not include *different*

standards for mental health conditions than for other health conditions. H.R. 1424's inconsistency with regard to these principles will assuredly increase costs for employer plan sponsors and the employees they cover, and thereby potentially undermine coverage.

Our members strongly believe that changes to current law are best achieved through consensus with employers, health plans, behavioral health care providers and plan participants. As we testified during multiple House of Representatives committee hearings, we are very pleased and proud to have worked in just such a manner with the bipartisan sponsors of the Mental Health Parity Act of 2007 (S. 558). The Senate legislation was crafted after extensive discussions and compromise, and no one had all their objectives fully addressed. But the Senate bill represents a balanced, workable approach that has broad support and passed the Senate unanimously.

Because these important health programs are provided voluntarily by employers, we strongly urge you to send to a House/Senate conference a measure that will avoid mandating the benefits covered in or out of network, ensure the ability to appropriately manage mental health care through medical management practices and the formation of networks of health care providers, and help ensure and protect national uniformity of plan administration and remedies. By embracing a bi-partisan, inclusive approach, we can all work together to establish sound public policy, supported by mental health providers, plan participants, employers and health plans.

Sincerely,

A handwritten signature in black ink that reads "James A. Klein". The signature is written in a cursive style with a large, looping initial "J".

James A. Klein
President
American Benefits Council