

State of New Hampshire HOUSE RECORD ADDENDUM

Second Year of the 157th Session of the General Court
Calendar and Journal of the 2002 Session

Vol. 24 Concord N.H Friday, March 1, 2002 No. 19A

Contains: Corrected Committee Report

ADDENDUM TO HOUSE CALENDAR

THURSDAY, march 7

COMMITTEE REPORT

REGULAR CALENDAR

FINANCE

HB 672, relative to insurance coverage for mental and nervous conditions and for treatment for chemical dependency.
MAJORITY: INEXPEDIENT TO LEGISLATE. MINORITY: OUGHT TO PASS.

Rep. Robert L. Wheeler for the **Majority** of Finance: The sponsor of this bill informed the Committee that there was no fiscal impact on either the state or counties, or local municipalities. In reality, it was found that the cost impact on the general fund

would be at least \$105,000, and the estimated revenue impact on the general fund would be about \$15,000. The additional county, local and long-range effects of this bill would increase health insurance plan costs, absent any other changes municipalities may pursue, by between 0.15% and 0.40%. The Committee believes this is not the time to increase financial burdens on the state, counties, cities and towns, or indeed, on employers and employees – our constituents – who will have to pay higher health insurance premiums if this bill becomes law. **Vote 13-8.**

Rep. Elizabeth S. Hager for the **Minority** of Finance: This bill adds 3 mental health diagnoses for two serious eating disorders and chronic post-traumatic stress disorder to the statutory list of biologically based mental health diagnoses covered the same as any physical illness. It was studied for 18 months by the Commerce Committee and voted as ought to pass unanimously at 17-0.

The bill's most important feature is that insurance companies would also have to cover some treatment for substance abuse, which is not at present covered by many companies. The companies themselves would have the freedom to design this benefit.

This bill also allows drug and alcohol counselors, the group of mental health clinicians most expert in the treatment of substance abuse, to be covered by health insurers. This would allow consumers to get treatment from those who are most knowledgeable about this disease.

An independent actuarial study, conducted by a nationally recognized expert on the fiscal impact of mental health legislation, concluded that this very limited version of the original bill would end up costing pennies per month per subscriber. The New Hampshire Insurance Department, with very little time to study this, estimated it would cost \$90,000 in total state costs to serve over one million subscribers. Since Anthem Blue Cross/Blue Shield already provides these services for substance abuse, the cost impact would be even less.

Most importantly, treatment for substance disorders results in increased productivity, reduced absenteeism and errors, lower worker's compensation costs, less domestic and other violence, less corrections costs, and less money spent on physical illnesses associated frequently with alcohol abuse. One dollar spent on treatment is estimated to result in four to seven dollars of cost savings.