

NEWS RELEASE



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NCADD-NJ looks to federal parity forum to advance the issue within the state

TRENTON ... (February 26, 2007) – The National Council on Alcoholism and Drug Dependence-New Jersey (NCADD-NJ) applauds today’s health insurance parity forum in Trenton conducted by Rep. Patrick Kennedy (D-R.I.) and Rep. Jim Ramstad (R-Minn.) as part of their national campaign to win support for their bill to require proper treatment for addiction or mental illness. The forum is expected to lend some impetus to the New Jersey addiction and mental health parity legislation (S-807/A-2512) on which NCADD-NJ has worked with state policy-makers and other advocates. The measure is currently before the New Jersey Assembly, having passed the Senate last December.

“The timing of the visit by the congressmen and the hearing on this issue could not be better, in that a state parity bill has advanced further in the Legislature than ever before,” John Hulick, director of NCADD-NJ’s Public Affairs Unit, said. “For years, we have been asking, ‘What will happen when you seek treatment for a loved one?’ Some of testimony today provided the answer: They will be placed on waiting lists. The sad fact, as we heard from the witnesses, is that some will never make it into treatment. Parity will help change that.”

NCADD-NJ has challenged the care limits imposed by private health insurers and the treatment denials that often result from such limits, which unfairly shifts the burden of providing treatment for addiction to the public sector. Public dollars, the agency notes, are meant for individuals without

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private health coverage. The current limits, however, have led to public treatment dollars being partially exhausted by people with private health insurance who cannot get appropriate addiction care approved and therefore must turn to public facilities. This cost-shifting increases public costs by up to 20 percent in New Jersey, according to the state Department of Health and Human Services.

“Not only is addiction and mental health parity the right thing to do, it is also the fiscally responsible thing to do,” Hulick said. Alcohol and drug addiction is a primary illness that causes liver and kidney disease, heart failure, hypertension, as well as injuries. The New Jersey Pension and Health Benefits Commission determined that if left untreated, cases of addiction will worsen and in the long run increase health care costs. Addiction also costs employers in terms of lost productivity by workers.

The federal parity legislation under consideration does not obviate the state’s version. Hulick stressed the “need for strong language to ensure that the federal measure will not pre-empt what’s implemented at the state level. The state version is more comprehensive than its federal counterpart in that it includes provisions around the American Society of Addiction Medicine’s placement criteria for treating addicted individuals.” This criteria, which is already required in New Jersey’s State Health Benefits Plan, will, Hulick said, “help put an end to so-called ‘revolving door’ treatment episodes that result from the restrictions managed care places on care.”

NCADD-NJ is a non-profit organization that for the past 25 years has dedicated itself to educating New Jersey’s citizens about alcohol and drug use issues, to advocating on state policies concerning individuals addicted to alcohol or other drugs, and to reducing the stigma that frustrates a public health approach to the disease of addiction. More information about the council is available at its website, www.ncaddnj.org.

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