

NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE – NEW JERSEY  
1675 WHITEHORSE-MERCERVILLE ROAD, SUITE 205, HAMILTON, NJ 08619

**CONTACT:** Daniel Meara  
609.689.0121 x 102  
dmeara@ncaddnj.org

## NCADD-NJ welcomes parity legislation

MERCERVILLE, NJ ... (May 13, 2002) - The National Council on Alcoholism and Drug Dependence-New Jersey applauds Sen. John Matheussen (R-Washington), Sen. Joseph Vitale (D-Middlesex) and Assemblywoman Mary Previte (D-Camden) for their parity legislation, which recognizes addiction as a disease responsive to treatment and therefore a condition appropriately covered by health insurance.

Despite the insurance industry's rhetoric challenging treatment efficacy, well-established methods of treating addiction succeed at a rate comparable with care for other chronic diseases. "The insurance industry saying treatment doesn't work is itself a case of being in denial," said NCADD-NJ's Director of Public Affairs and Policy John Hulick. "It amounts to replacing the facts with what's convenient to its bottom line. As far as chronic, relapsing disorders go, addiction responds better to treatment than many others - better than heart disease, better than diabetes."

Beyond the fact that treatment works, the initial costs of parity are offset by benefits such as increased productivity and improved overall health. From a strictly economic standpoint, every dollar spent on treatment returns \$7 in reduced drug-related crime and criminal justice costs.

"Addiction treatment parity has the dual advantage of being the right course without incurring prohibitive costs," Hulick said. According to the most recent figures from the state Division of Addiction Services, 683,003 New Jersey residents are drug or alcohol dependent or suffer serious problems from excessive use. The cost for providing parity is negligible, with both government and private studies finding a maximum monthly premium increase of \$1.

Despite the number of people needing treatment, the state has seen those very services diminish over the last dozen years, a direct consequence of the so-called managed care revolution. DAS has documented New Jersey's reduced treatment capacity as being responsible for preventing 71,000 adults and 14,000 adolescents from accessing care. Not only has managed care meant a reduction in treatment, it has also resulted in the public sector having to assume a financial burden that has increased government costs by as much as 20 percent.

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Parity legislation and its provisions will expand the state's treatment capacity without requiring a state appropriation. The bill would force managed care to bear the cost of addiction treatment services, an expense it has historically shunted to the public sector treatment system.

Four states, Vermont, Minnesota, Connecticut and Maryland, have implemented comprehensive parity (parity with no exemptions); four others, Rhode Island, Indiana, Kentucky and New Mexico, have full parity with some exemptions. New Jersey should be as vigilant as these states in the care of its citizens.

None of the many New Jerseyans who are drug or alcohol dependent should be considered irredeemable. Parity represents a commitment to the resource our state ought to prize most, its people.

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