



Legislation Text

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Res. No. 248

Resolution calling upon the New York State Legislature to adopt S. 5329 and A. 8301, also known as “Timothy’s Law,” which would provide New Yorkers with fair insurance treatment for mental health and chemical dependency services.

By Council Members Weprin, Lopez, Barron, Boyland, Brewer, Comrie, Felder, Gennaro, Gentile, Gerson, Gioia, Katz, Koppell, McMahon, Nelson, Recchia, Sears, Yassky, Foster, Liu, Sanders, Seabrook, Palma, Stewart, Gonzalez and The Public Advocate (Ms. Gotbaum)

Whereas, The Federal Mental Health Act of 1996 prohibits employers with more than 50 employees that offer mental health benefits from imposing aggregate lifetime and annual limits that differ from those limits imposed for physical health care and treatment; and

Whereas, However, with respect to mental health care and chemical dependency services, the Federal Mental Health Act fails to require parity for deductibles, co-payments, co-insurance and frequency of coverage; and

Whereas, According to the National Institute of Mental Health, in any given year, over 50 million American adults, or 20% of the population, suffer from a mental disorder; and

Whereas, According to the U.S. Department of Health and Human Services, in a report entitled “Mental Health: A Report by the Surgeon General,” over 20% of children have behavioral, emotional or mental health problems that may, without appropriate treatment, lead to school failure, alcohol or substance abuse, family disruption, violence, physical health problems or suicide; and

Whereas, According to the American Psychological Association, because 50% to 70% of a physician’s normal caseload consists of patients whose medical ailments are significantly related to psychological factors, if mental health care were available to such patients, there would be a decrease in the utilization of medical

services and a significant cost-savings; and

Whereas, Furthermore, New York State insurance companies currently limit the number of inpatient and outpatient mental health visits per year and charge higher deductibles, co-payments and co-insurance costs for mental health and chemical dependency services than for treatment of physical health services; and

Whereas, S. 5329 and A. 8301, also known as “Timothy’s Law,” would ensure that mental health and chemical dependency coverage is provided by all insurance companies in New York State on terms comparable to other health care and medical services; and

Whereas, Timothy’s Law creates equal coverage for mental health and chemical dependency services by classifying the limitation of such coverage as discriminatory practice; and

Whereas, A recent study conducted by Price Waterhouse Coopers estimates that the passage of Timothy’s Law would only increase premiums by \$1.26 per employee per month; and

Whereas, Thirty-three other states have already enacted legislation to end the discriminatory policy of providing benefits or coverage based upon whether the patient’s illness or condition is mental or physical; and

Whereas, The New York State Assembly passed A. 8301 on March 4, 2004; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to adopt S. 5329 and A. 8301, also known as “Timothy’s Law,” which would provide New Yorkers with fair insurance treatment for mental health and chemical dependency services.

MDP
3/10/04