



AMERICAN BENEFITS
COUNCIL

February 8, 2007

The Honorable Edward M. Kennedy
The Honorable Michael B. Enzi
The Honorable Pete V. Domenici
United States Senate
Washington, DC 20510

Dear Chairman Kennedy, Senator Enzi and Senator Domenici:

The Senate Health Education Labor and Pensions Committee will soon consider the bipartisan Paul Wellstone Mental Health Parity Act of 2007. When it does so, the American Benefits Council, representing major employers and other organizations that collectively sponsor and administer health and retirement benefit plans covering more than 100 million Americans, urges that the Committee approve this legislation without further amendment.

The American Benefits Council's 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 the importance our members place on these services, we have repeatedly urged that Congress continue the current federal parity standards for mental health coverage rather than expand these requirements in a way that would add to plan costs or increase the complexity of plan administration and thereby unintentionally risk a reduction in coverage for these or other benefits provided to employees and their families.

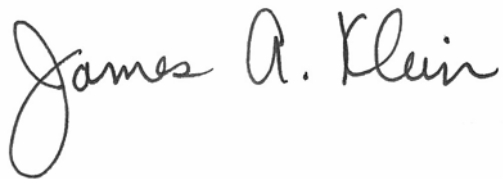
The Paul Wellstone Mental Health Parity Act is unlike any of the previous proposals to expand federal mental health parity requirements; and we applaud you for the thoughtful manner in which this legislation was crafted. Under your leadership, this new bill was developed through a balanced and candid process that has given all the major stakeholders – employers, health plans, behavioral health care providers and plan participants – the opportunity to have their priority concerns addressed with respectful and careful attention to detail. The result is a bill that is bipartisan in the best sense of the term and which was developed in a manner that can serve as a model for resolving similarly challenging issues which frequently come before the Senate HELP Committee.

Flexibility in plan design, the ability to apply medical management practices and federal uniformity in plan administration are as essential for employer-sponsored mental health benefits as they are for coverage for other health care services; and are absolutely necessary for employers to be able to offer these valuable benefits.

Accordingly, we acknowledge that unlike previous parity measures that would have removed coverage decisions from employers and health plans, this legislation does not mandate the specific benefits a plan must cover. In addition, the legislation protects the ability of employers and health plans to appropriately manage mental health care benefits through medical management practices and the formation of networks of health care providers. Moreover, the legislation would help ensure uniformity between the new federal requirements and those established by the states. This important aspect of the bill is intended to allow employers to provide and administer benefits in a consistent manner regardless of where their employees may live or work.

Because of the substantial effort and inclusive process taken to craft this legislation, and to ensure the vital protections described above, we again urge that no further amendments be made to the bill as it is considered by the Committee. We sincerely commend and thank you for your leadership in taking a fresh new approach to resolving this difficult and important issue and we look forward to continuing to work closely with you as this legislation proceeds through Congress this year.

Sincerely,

A handwritten signature in cursive script that reads "James A. Klein". The signature is written in black ink and is positioned below the word "Sincerely,".

James A. Klein
President