

March 14, 2005

## **It's Time to Expand Access to Chemical Dependency Treatment**

Dear Colleague:

In 1956, the American Medical Association declared that addiction to drugs and alcohol is a disease. Yet almost 50 years later, insurance companies are still allowed to openly discriminate against alcoholics and drug addicts who need treatment!

That's why I have introduced **H.R. 1258**, the "**Time for Recovery and Equal Access to Treatment in America (TREAT America) Act.**" This bill will give Americans suffering from addiction greater access to treatment by prohibiting health insurers from placing restrictions on treatment that are different from other medical and surgical services.

As a recovering alcoholic of 23 years, I know first-hand the value of treatment. Alcoholism and drug addiction are private struggles with staggering public costs. In fact, the costs of untreated addiction in this country exceed \$400 billion a year.

Expanding access to treatment will not only combat this insidious disease; it will save health care dollars in the long run. Treatment helps people stay healthier longer and saves the health care system money. The empirical evidence supports what I already know as a recovering alcoholic – providing treatment is good preventive medicine:

- According to the National Institute on Drug Abuse (NIDA), **every dollar spent on treatment saves \$7 in criminal justice costs. If savings in health care costs are added, every dollar spent on treatment saves \$12.**
- A Minnesota study to evaluate the effectiveness of its treatment programs found the state of **Minnesota saves \$22 million in annual health care costs because of treatment.**
- A Rutgers University study found that **untreated alcoholics incur general health care costs that are 100% higher.** It also found that after treatment, days lost to illness, sickness claims and hospitalization dropped by half.

H.R. 1258 will help eliminate barriers to treatment, without significantly increasing health care premiums. A Milliman and Robertson study found full and complete chemical dependency treatment parity would increase per capita health insurance premiums by only one half of one percent, without even considering the obvious savings that will result from treatment. H.R. 1258 waives the parity for substance abuse treatment if insurance premiums increase by more than 1% and also exempts small businesses with fewer than 50 employees.

Parity for chemical dependency treatment is the right thing to do. It's also the cost-effective thing to do. To cosponsor this important legislation or if you have questions, please call Andrew McKechnie at 5-2871.

Sincerely,

JIM RAMSTAD  
Member of Congress