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EMPLOYEE ASSISTANCE REPORT

supporting EAP professionals

Mental Health Parity

New Law Seen as Important Step

Employee Assistance Report had the opportunity recently to interview William Moyers, executive director of the Center for Public Advocacy with Hazelden, a private non-profit alcohol and drug addiction treatment center, about what EAP directors should know about the realities of implementation of the *Paul Wellstone and Pete Dominici Mental Health Parity and Addiction Equity Act*, and what it means for EAP staff who handle mental health and addiction issues in the workplace.

William Moyers, exec. dir. of the Center for Public Advocacy with Hazelden

Former President George W. Bush signed the legislation, also known as the *Mental Health Parity Act*, into law in October 2008. It requires, for the first time, equal health insurance coverage of mental and physical illnesses nationwide.

Previously, in many cases, private health insurance plans have typically provided lower levels of coverage for the treatment of mental illness than for the treatment of other illnesses. Consequently, the legislation is considered by many as a milestone in what's been an ongoing effort to end insurance discrimination and to reduce the stigma of mental illness.

***EAR**: While the bill has technically been signed into law, when will it actually take effect in the workplace?*

WM: It begins taking effect in all states in October 2009, but it will not take full effect until 2010. This is due to the vast number of different insurance plans. It is not meant to overwhelm but to complement states that already have strong existing parity legislation. In other words, this federal law will not pre-empt state laws.

***EAR**: It is my understanding that perhaps a less known aspect of the legislation is its intent to enhance insurance coverage for a wide range of conditions — such as eating disorders and alcohol and drug abuse — as well as mental health issues such as depression, schizophrenia, etc. Is that correct?*

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Parity Act Seen as Helpful, *but…*

I believe the *Paul Wellstone and Pete Dominici Mental Health Parity and Addiction Equity Act* will be helpful to EAPs — but only to a certain extent.

Because I don't see EAP as offering *direct* treatment, I don't envision EAP as being *directly* affected by the recent parity legislation. At this time, I *do* see parity as a good start in helping EA professionals access ongoing resources for our EAP clients who need to be

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WM: That's right, that's exactly what it does. It covers the majority of mental health and addiction uses. The new law is designed to make it easier to obtain treatment.

EAR: *I understand that businesses with 50 or fewer employees will be exempt from complying with the legislation — but for larger firms, how will the new requirement affect health insurance premiums?*

WM: According to the Congressional Budget Office, it will only amount to 2/10th of 1%. That translates into only $1.35 per member, per month.

EAR: *What do you perceive as the anticipated impact of the "Mental Health Parity Act" on the EAP field?*

WM: The legislation is only going to be as effective as HR (human resources) is able to implement and understand it. There will be a steep learning curve for HR professionals as it applies directly to employers and employees. We need HR directors to be up to speed and onboard with this, and it is important for employee assistance professionals to connect with HR on the issue of parity. They need to help each other, and it starts with education — from the corner office, to HR, to the rank-and-file employees.

There really is an opportunity here for HR and management to learn the realities of addiction and mental health in the workplace. I am a recovering alcoholic who's been sober for 15 years. This means I see this issue from both personal and professional perspectives since I've witnessed the impact of addiction in the workplace firsthand. The devil is in the details, but what it comes down to is this: parity starts with education and it ends with action.

EAR: *Since the legislation is supposed to remove limits on hospital inpatient days and outpatient visits for mental health treatment, I would assume that the act would also be of great benefit to treatment providers like Hazelden. Is that correct?*

WM: This legislation allows employers to address the co-occurring illnesses of their employees, and that's crucial. Roughly 2/3 of the people who come to Hazelden for help have co-occurring illnesses such as depression and addiction. It doesn't make any sense to not treat someone for alcoholism if you're not also going to treat an eating disorder. It also doesn't make any sense to treat someone for depression, without also treating an alcohol addiction. This bill levels the playing field and gives employers more resources to meet the needs of their employees.

EAR: *Can EAPs serve as a gatekeeper to mental health benefits, or would the act prevent EAPs from performing this function?*

WM: No, it would not preclude the EAP from playing that role. In fact, they'll really be on the front lines, in the trenches on this.

EAR: *Finally, are there any other issues related to this legislation that you think EA professionals should be aware of that you'd like to address?*

WM: We need to see this historic legislation in the process of something even bigger, and that is as part of national health care reform. If health care reform does not include addiction and mental health, then parity is not going to work. We need CEOs, EAPs, union heads, HR, and treatment providers to all lend their collective voices to the health care reform debate. This means being on the forefront when health care reform begins getting batted around in the new Obama administration. We need to be on the table, or we'll be under the table. In summary, the *Paul Wellstone and Pete Dominici Mental Health Parity and Addiction Equity Act* is a major step, but it's not the last step. ■

***Editor's note**: Watch for additional coverage about the impact of the "Paul Wellstone and Pete Dominici Mental Health Parity and Addiction Equity Act" in EAR in 2009.*

EMPLOYEE ASSISTANCE REPORT

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referred to treatment providers.

I have often been in a quandary in being asked to provide MORE EAP service, due to the fact that a client doesn't have good benefits, and therefore can't afford ongoing treatment services outside of EAP. However, I feel I can't refer the individual because I know that he/she can't afford the service if it isn't provided directly by the EAP!

In summary, to me parity doesn't mean confusion about what EAPs do. Rather, I see parity legislation as meaning possible additional resources for my clients in the near future. I am certainly not an expert — this is but one EA professional's opinion. ■

— RaeAnn Thomas

***Editor's note**: RaeAnn Thomas is the executive director of Employee Assistance Services (AEAS). She may be reached at (800) 540-3758 or email her at raeann.thomas@ministryhealth.org.*

Editor's Notebook

I wish to thank Bonnie Black for providing an informative article in this month's newsletter about alcohol use among young adults. One reads so many negative things about alcohol and other substance abuse among teens and young adults, that it was encouraging to hear about a report to the contrary.

Also from the "good news" file is the recently passed mental health parity legislation, which is the topic of this month's cover story. Opinions vary on the role that EAP will play in the whole process. Some feel that the legislation will have a substantial impact on the field. Others, however, believe the law will have a positive, but more indirect effect. Due to the complexities of different health providers' insurance policies, etc., it may take years before the impact of this new law is fully known.

However, one thing *does* seem clear: all involved agree that the legislation is a step in the right direction in reducing obstacles for those in need of treatment for mental illness and substance addiction.

With so little "good news" in the media these days, it's a pleasure to report on some positive developments for a change in this month's *EAR*. Until next time. ■

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Workplace Survey

Many States Suffering Declines in Health Coverage

Employer-sponsored health coverage is becoming harder to find, according to a recent report from the Economic Policy Institute (EPI).

The EPI study found that the majority of states have experienced significant declines in employer-sponsored coverage this decade. Forty-one states suffered losses in coverage across every region in the U.S. South Carolina, Missouri, North Carolina, and Maryland experienced losses in excess of 7 percentage points, while no state experienced an increase.

Among workers insured through their own or a spouse's job, the largest declines in coverage occurred in South Carolina and Colorado (7.6 and 7.2 percentage points, respectively).

The state with the highest rate of employer-sponsored coverage among workers was Hawaii, which mandates employers to provide health insurance to workers who work at least 20 hours per week. Hawaii had a coverage rate of 80.6%, compared to the national average of 70.9%.

How Long Will Recovery Take?

Evidence from the last two recessions suggests that employment levels would not fully recover until mid-2010 or beyond. Both the 1990-91 and the 2001 recessions lasted only eight months each, according to the National Bureau of Economic Research.

However, it took 30 months and 48 months, respectively, to regain the total number of jobs that existed prior to the downturn. The bad news? The current recession looks likely to be more severe than the last two. ■

Source: EPI (www.epi.org) and EPI Snapshot author Elise Gould, with research assistance from Emily Garr.

Investing When You Don't Trust Wall Street

Do recent 401-K statements and other investments have you ready to take your hard-earned money out of the market and put it under your mattress?

Alex Green, investment director for The Oxford Club, doesn't recommend going that far — but he *does* debunk the notion that financial experts should manage your money because they are somehow better equipped to predict what's going to happen in the market.

"No one has more skin in the game than you, so why *wouldn't* you be at the helm?" asks Green, author of the new book *The Gone Fishin' Portfolio: Get Wise, Get Wealthy...and Get on with Your Life*.

"You don't need to predict the future to make money through investing," he adds. "In fact, it's better if you just work with the uncertainties of the market...Sure, there are investment advisors out there who are competent and ethical. It's just that most investors don't *need* to pay for the services of a good one."

The following are among Green's recommendations:

➢ **The reality is that no one can tell you with any certainty what the economy or the stock market will do next.** "...Rather than pretend to have answers you don't have, acknowledge your uncertainty. Deal with it. Capitalize on it...," Green advises.

➢ **Successful investing does not have to be terribly complicated**. "In this industry there is a lot of jargon and investment complexities...But you no more need to master all this arcane knowledge to manage your money effectively than you need to understand how a combustion engine works to drive you from here to the post office..." Green suggests.

➢ **Eliminate individual security risk by skipping buying and selling individual stocks**. With Green's method, if a company goes under your retirement savings won't go down with it. "The portfolio's focus is meeting long-term investment goals, not pursuing short-term gains through trading," Green says.

➢ **Remember that you may live a lot longer than you're counting on financially**. "The simple fact is that you are going to need funds other than those provided by Social Security or a private pension plan to ensure your money lasts as long as you do," Green notes. "The Gone Fishin' Portfolio covers your shortfall risk. In other words, it is a growth portfolio designed to keep you from outliving your money..."

➢ **Rebalance to bring your asset allocation back to original target percentages — but let at least a year pass between each time you rebalance**. "This will help you avoid paying short-term capital gains taxes and the 1% redemption fee on investments held less than a year," Green recommends.

"Second, unless your investments are held entirely in a qualified retirement plan, where a fund redemption is not a taxable event, it's preferable to rebalance by adding money to those funds that have fallen below your original target percentages," he adds. "...I can tell you...that most have a strong compulsion to add to those assets that are performing best, not those that are performing worst. But for long-term results you need to forget what the hot asset class is doing. You want to buy what's cheapest for the long-term advantage it confers."

The Gone Fishin' Portfolio: Get Wise, Get Wealthy...and Get on with Your Life costs $27.95 and is available from Wiley Publishing (www.wiley.com). For more information on Green's methods, visit www.investmentu.com. ■

***Editor's note**: This article is not to be construed as an endorsement for Green's book or his methods, but as ONE of the resources available to help EAPs dealing with issues related to investment losses and other financial matters. For an additional suggestion, see this month's resources section.*

Getting Through the Financial Crisis

By Kim Snider

If more people ran their household finances like a company, they would run smoother, more efficiently, and with fewer crises both in the short term and the long term. The following is some advice:

☑ **Plan prudently** – Whether you pay your bills online or the old fashioned way, you must know what you owe in bills every month. Gather the paperwork into one stack, or create a computer file that details all your regular monthly expenditures. Combine it with your pay stubs and records of any other income. Now, you have a clear picture of your revenue and your payables. Moreover, you also have due dates for those bills, so you can match your cash flow (when you get paid) with when certain bills are due. Now, plan out what you're going to pay and when you'll pay it. Most companies mirror this procedure.

☑ **Save prodigiously** – Saving is more than just trying to create a stockpile of cash for the proverbial rainy day — it's about weathering the minor "drizzles" that come along every month: unexpected car repairs, medical bills, home repairs, etc. If you can put away even $10 per week, it can help stem the tide.

☑ **Invest wisely** — Take advantage of employer-sponsored retirement plans and 401-K plans by allowing them to deduct the maximum amount from your paychecks. In many cases, employers match that money, so it's equivalent to saving twice the amount for retirement. The few dollars in cash flow you sacrifice now will be worth it when you see your retirement balance grow later.

☑ **Manage risk** — Your biggest financial risk is NOT about the stock market or even your house burning down. Rather, *the biggest risk for most people is the loss of your regular income!* The majority of families who are in trouble today aren't in crisis because of natural disaster or catastrophic illness, but because someone in the household lost a job. Reduce that risk by keeping your job skills current and competitive, and taking on a disability insurance policy. ■

Kim Snider is the CEO of Snider Advisors and author of the new book "How to Be the Family CFO: 4 Simple Steps to Put Your Financial House in Order." For more information, visit www.kimsnider.com. ***Editor's note****: Money Matters is a new feature in EAR in response to reader requests for additional financial advice and money-saving tips.*

Resources

📖 ***Raise the Bottom: How to Keep Secret Alcoholics from Damaging Your Business***, by Arthur Jackson, $16.95, Bascom Hill Publishing Group, www.bascomhillpublishing.com. This landmark book is the first to specifically discuss the effects of alcohol on an entire organization.

🖱 The ***Workplace Disaster Listserv*** is designed to provide EA and other workplace professionals with opportunities to share information related to preparing and responding to workplace disasters. This listserv is for EAPA members only. Go to www.eapassn.org/public/pages/index.cfm?pageid=1115.

🖱 ***RealMoney.com*** identifies some of the more common, avoidable investor mistakes. Go to www.thestreet.com/p/_tscs/rmoney/theturnaroundartist_up/10096385.html.

🖱 ***EAPA Webinar Series Archive.*** Need CEUs or PDHs on workplace mediation? Coaching? Ethical considerations? Visit www.eapassn.org and then go to the "10 EAPA Website Pages You May Have Missed" link.

🗐 ***Dealing With and Eliminating Unacceptable Behavior***, $99, .pdf download, PBP Executive Reports, (800) 220-5000, www.pbpexecutivereports.com. Managers know that dealing with employees' negative behavior is one of the biggest drains on energy and productivity. This report lays out proven strategies to help deal with this troublesome issue and get the most out of employees.

🖱 The ***Wellness Junction*** contains strategies for building a successful workplace wellness program, plus surveys, videos, links, and more. Visit www.wellnessjunction.com.

📖 ***Grading Education: Getting Accountability Right***, by Richard Rothstein, Rebecca Jacobsen, Tamaara Wilder, Economic Policy Institute, Teachers College Press, www.tcpress.com. This book is a must-read for those seeking answers for reducing our nation's achievement disparities. ■

Alcohol Abuse Declining Among Young Adults: Study

By Bonnie Black

Alcohol abuse among young adults in the state of New York appears to be declining. At least, that's what recent groundbreaking surveys are revealing.

Since 2004, Employee Assistance Services has been fortunate to collaborate with the State University of New York (SUNY) Plattsburgh and Clinton Community College in Plattsburgh, as part of a statewide initiative conducted by the Office of Alcohol and Substance Abuse Services under the auspices of the Substance Abuse & Mental Health Services Administration (SAMHSA). The survey of behaviors in young adults (18-24) was conducted on both campuses and in the workplace.

The workplace results of the initial survey in summer 2005, as reflected again in the responses to the second survey, conducted in June-July 2008, noted the impact of the social norming campaign on behaviors.

Downward Trends Evident

Downward incremental trends in the data from all three constituencies have pleased the directors of all three populations. This is noteworthy since the study differed from previous campaigns. Historically, prevention campaigns have taught users how to use their drug of choice in "smarter" ways as noted when someone asks, *"If I weigh 165, how much can I drink and still stay under the legal limit?"*

However, today we are looking at drug use and abuse from a Public Health Model perspective. This is evident in drunk-driving laws (21 is the legal drinking age in all but 2 states) and in tobacco-cessation programs.

Moreover, we are also looking at implementing environmental changes for use and abuse of alcohol and other drugs. Evidence-based research reveals that prevention models stress the negatives of use — whereas social norms stress the *positives* of the social group (i.e. 84% consume between 0 and 3 drinks, but no more than 4 drinks per week).

Broad Scope

This research was also significant in its broad scope. Similar research has been compiled on college campuses for years, but never on the entire 18-24 year-old market in the community surveyed. Moreover, workplaces had not been included until this study was approved by SAMHSA in 2004.

The New York State Office of Alcohol and Substance Abuse Services competitively selected seven sites, all of which are part of the SUNY system. Plattsburgh was one of the seven. The unique situation in this community was that the "business" segment wasn't just one employer who signed on with the campus, but rather Employee Assistance Services — an EAP with over 120 contracted businesses. This gave the entire project a complete picture of the young adult use of alcohol.

The campaign components were:

- Strong normative message (based on the results of the workplace survey);
- Appealing materials;
- Market/audience research; and
- Carefully planned marketing strategy.

Survey Refutes Fallacy

The social norming campaign also refuted the fallacy that under-21 drinking laws are not properly enforced. For instance, results from the follow-up survey completed in July 2008 not only showed that the majority of respondents had "3 or fewer" drinks per week — but this closely paralleled respondents' perception that their peers drank about the same that they did (2 or fewer drinks per week).

This stood in contrast to the misconception that college students differed from other young adults and often drank to excess. Put another way, perhaps under-21 drinking laws in the state of New York aren't "enforced" because underage drinking isn't the problem that some people think it is!

Summary

Although the campaign's funding has ended, the residual effects will continue to be felt throughout 2009 in the form of promotional materials used at various events and benefit fairs at the workplaces under contract to EAS.

The reality that young adults in the workplace do not *abuse* alcohol will *also* be reinforced by the social norm marketing that will continue throughout the year. That is good news. ■

Bonnie Black is the director of Employee Assistance Services (EAS) — a program component of Behavioral Health Services North (BHSN). For more information, contact her at bblack@bhsn.org. ***Editor's note****: April is Alcohol Awareness Month.*

Substance Abuse Adds Millions to Health Care Costs

People with substance abuse disorders cost Medicaid hundreds of millions of dollars annually in medical care, suggesting that early interventions for substance abuse could not only improve outcomes but also save substantial amounts of money, according to a comprehensive study recently released. The study examined records of nearly 150,000 people in six states.

"Substance abuse probably costs Medicaid programs a lot more than they think," said Robin Clark, PhD, associate professor of family medicine & community health at the University of Massachusetts Medical School.

The most striking finding, Clark said, was that as the patients with substance abuse disorders got older, the medical costs increased at a far higher rate than behavioral health costs.

"It suggests that there are not a lot of substance abuse services that successfully target the older age group, and that there could be substantial savings and health benefits by focusing on these populations," he said.

Clark's study examined records from 148,457 people in Arkansas, Colorado, Georgia, Indiana, New Jersey, and Washington. It used claims for Medicaid benefits of those with behavioral health diagnoses, and compared those who had and did not have substance abuse disorders.

"...as...patients with substance abuse disorders got older, the medical costs increased at a far higher rate than behavioral health costs."

The study found that, on average, 29% of Medicaid patients were diagnosed with substance abuse disorders in the six states, ranging from a low of 16% in Arkansas to 37% in New Jersey and 39% in Washington.

For people with substance abuse disorders, the six states alone paid $104 million more for medical care and $105.5 million more for behavioral health care than for those patients who did not have an alcohol or drug abuse diagnosis. If the findings were extrapolated to the entire country, the extra costs for those with substance abuse disorders would easily run into the hundreds of millions of dollars.

Researchers said possible explanations for the higher medical costs included:

- ➢ Cumulative health impact of long-term substance abuse;
- ➢ Greater reluctance among older adults to seek addiction treatment; and
- ➢ More severe chronic disease among older adults with addictions.

Not surprisingly, medical care and behavioral health care costs were higher for those who abused drugs and alcohol compared to those who did not. However, the median Medicaid *cost per state* varied widely:

- ➢ In New Jersey, people classified as having severe mental illness and a substance abuse disorder cost a median of $5,345 for behavioral health, compared to a median of $1,601 for a person without a substance abuse disorder.
- ➢ However, in Washington the cost for someone with a substance abuse disorder was less than half — $2,131 — versus $795 for someone without those disorders.

Spending differences reflect wide variation in coverage in different states. Researchers said that providers in states with poor coverage may bill for treatment under different diagnostic codes in order to receive reimbursement. ■

Source: Substance Abuse Policy Research Program (www.saprp.org) of the Robert Wood Johnson Foundation (www.rwjf.org). ***Editor's note****: April is Alcohol Awareness Month.*

a look ahead

UPCOMING EAR FEATURES...

- DOT & SAP Process
- How Smart Companies Bail Themselves Out
- Grief in the Workplace

EAPs Have Positive Impact on Short-term Disability

Short-term disability (STD) is of special interest to employers because it affects employee finances and causes workplace disruptions for employers.

As a result, employers should be aware that employees who used EAP services returned to work twice as often at the conclusion of their short-term disability claim than employees who didn't, according to a recent study conducted by The Hartford.

The findings supported The Hartford's ideas about STD duration and increased return-to-work rates, but the study results did not show an overall reduction in STD claim incidence simply from having an EAP in place. Hartford DID find that two companies with especially high EAP utilization rates had lower STD rates than comparable companies not offering an EAP.

The study involved 22 companies in a wide range of industries with nearly 100,000 employees total. It tracked 62,000 employees with EAP services and compared them to a control group of 31,000 employees without an EAP. The results clearly demonstrated that EAP usage led to shorter STD durations.

The study focused on cases involving EAP counseling for the employee, not for a covered family member, and for which the employee's primary issue was one of the following:

- ➢ Alcohol or chemical dependency;
- ➢ Critical incident or workplace violence;
- ➢ Fitness for duty (Department of Transportation regulations);
- ➢ Health or medical issues;
- ➢ Occupational issues;
- ➢ Psychological or emotional concerns;
- ➢ Stress; and
- ➢ Supervisor-related issues.

The study also found that EAPs can also help prevent STD claims from becoming long-term disability claims.

Finally, one of the most important themes to emerge from the study was its substantiation of the theory that treating employees well means effectively treating the whole person. Traditionally, EAPs have focused on behavioral issues, but workplace trends tell us that behavioral and physical issues cannot be viewed in isolation. When they occur together, they can contribute to one another's severity.

In fact, the study found that 52% of employees seeking EAP services did so primarily for psychological or emotional reasons. Yet, of the employees approved for STD claims, behavioral issues accounted for only 26%.

The report concluded that: "A well-promoted EAP or work-life program with 24/7 access to professional clinical, legal and financial counselors and licensed, local providers in communities throughout the country is a benefit employees and their families will value." ■

Source: "Healthier, More Productive Employees: A Report on the Real Potential of Employee Assistance Programs (EAP)", by The Hartford, reprinted with permission from the Employee Assistance Professionals Association (www.eapassn.org).

More Workers are *Sicker* than Managers Think

More than four out of 10 (45%) professionals recently surveyed admitted they frequently go to work when they feel sick.

However, only 17% of managers polled believe the practice is this common. This revealed a clear disconnect between the number of employees who are sick at work, versus the number of managers who are aware of their illnesses.

OfficeTeam, which conducted the survey, notes that some managers may not realize the adverse effects of this practice on productivity, and offers them the following tips for ensuring staff do not come to work when ill:

— **Communicate expectations**. Let staff know that you prefer they stay home when they're sick to ensure a quicker recovery.
— **Set an example**. Employees are more likely to stay home when they're sick if you do the same.
— **Provide options**. Allowing employees to work from home if they think they're coming down with a cold or the flu can help them remain productive without spreading an illness to others.
— **Offer help**. Bring in temporary professionals to keep projects on track when employees are out sick for more than a day or two. ■

Source: OfficeTeam (www.officeteam.com).