

MENTAL HEALTH PARITY

and Your EAP

New Rules and Winning Strategies
for 2010 and Beyond



In 2010 the Mental Health Parity and Addiction Equity Act takes full effect. Approximately 98% of workers have some coverage for mental health issues according to a report by the Kaiser Family Foundation (2008). Failure to adapt to this game-changing reality will result in adverse impacts on overall healthcare benefits costs and hidden productivity costs – a sure loser in our competitive global economy.

Savvy organizations will take this opportunity to choose winning EAP strategies thereby accruing significant financial wins. Not only will the right EAP keep premiums and benefits costs in check, it will also reduce the sizable productivity costs caused by emotional concerns disrupting employees' attendance and concentration on work activities. The choice is clear . . .

A losing benefits-driven EAP model offers an approach whereby EAP services are “bolted on” to an overall health benefit plan or a short-term disability policy. These “free” or minimal-cost EAPs provide scaled-back services in a reactive fashion. Primarily a counseling benefit, they utilize a general network of behavioral health providers many of whom are not trained to focus on both personal and workplace impacts of emotional concerns. Teams can't win consistently using reactive strategies.

A winning productivity-driven EAP partners with your organization to deliver counseling as well as tailored programs that provide a broad array of work-life, trauma response, wellness and organizational effectiveness services designed to enhance employee productivity. Strategic EAPs address emotional health concerns as well as life issues (such as finding good childcare and eldercare). A recent study determined that you can score an ROI of 517-647% for every dollar spent on your Employee Assistance Program (Hargrave, 2008).

UNDERSTAND MENTAL HEALTH PARITY RULES

If a health plan covering 50 or more employees chooses to offer mental health and/or substance abuse coverage, the following are required:

- All plan features – co-pays, deductibles, limits on frequency, number of visits and hospital days covered, and annual and lifetime benefit limits – must be the same for mental health/substance abuse issues as those for medical/surgical issues.
- Out-of-network features must be same for behavioral health as for other conditions.

“...you can score an ROI of 517-647% for every dollar spent on your Employee Assistance Program...”

OVERCOME THESE CHALLENGES TO WIN

Difficult to see and measure, emotional health concerns and substance abuse issues silently eat away at employee engagement, efficiency and profits. Behavioral health conditions may cost American employers an estimated \$344 billion annually in health care costs and lost productivity (Risk & Insurance, 2005). Conversely, employees with better psychological well-being, better physical health and stronger social relationships report higher levels of engagement in their work (Schaufeli, Taris, & Van Rhenen, 2008). Presenteeism – being at work but distracted and inefficient – accounts for about two-thirds of productivity losses brought about by emotional issues.

Those with emotional health issues are also high users of health care benefits for stress-related physical ailments – e.g., sleep disruption, headaches, digestive problems. Physicians will treat the symptoms, but the average primary care physician does not have the necessary set of skills to effectively address the underlying emotional cause. When primary care physicians prescribe psychotropic drugs, treatment is not even minimally effective 87% of the time (Mek, 2009).

For US, Canadian and Western European companies, psychological conditions are the leading cause of short-term disability. Access to the right specialists can keep your employees off the injured reserve list – permanently.



Is YOUR EAP IN THE GAME OR ON THE BENCH?

Now that mental health parity is here, old assumptions are no longer valid. Implement the following strategies to ensure a winning season:

1. *Recognize the productivity impact of emotional concerns will cost you.*

Productivity costs of emotional issues can become even more expensive than direct care costs. Consider the cost of presenteeism and distraction from work efforts among your most highly compensated employees, as well as the cost of losing one large sale or a valued customer because your star player wasn't on his game. Your competitive edge is at stake.

2. *Don't settle for a passive, reactive approach* to promoting EAP services. Low-cost and free EAPs have little incentive to get out the message...they're secretly hoping that only a few people call. Your team can't utilize resources if they aren't aware that help is available.

3. *Solid coaching yields results.* Winning teams choose great coaching staffs. Productivity-driven EAPs provide an Account Manager who works with you to develop a deep understanding of your culture. As sticky situations occur, you receive guidance from the expert you know rather than from a stranger at a call center. For emotionally-based work performance issues, Workplace Solutions consults from the vantage point of both the employee's needs and the employer's expectations. And, when traumatic incidents happen in the workplace, knowledge of your organization allows quick and appropriate intervention to get your team back in the game.

4. *Practice risk reduction.* Prevent problems from escalating and becoming more costly through early identification and treatment of emotional health concerns. Winning this new game requires aggressively identifying and proactively addressing everyday life stressors and even mild emotional problems.

5. *Move beyond a generic call center.* Take these three names and give them a call. If they don't have the right expertise, are no longer in practice, or aren't available at a time that works for you, "call us in the morning and the next available operator will give you three more names." Give your employees a competitive edge – provide them with meaningful assistance.

6. *Provide an alternative resource for short-term emotional concerns* outside of the programs offered by your health care benefits provider. As parity rules take effect and employees and their family members enter your behavioral health care benefit program, former caps on costs will no longer apply. When employees utilize their EAP for resolution of short-term treatment concerns, medical benefits aren't accessed and cannot cause health care costs to spiral.

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7. *High-deductible, consumer-driven health care plans can escalate costs* by discouraging early intervention for behavioral health concerns. A productivity-driven, strategic EAP program fills this gap in coverage by offering short-term counseling with no out-of-pocket costs to employees.



At Workplace Solutions, Our people make the difference!

Our experienced professionals will see your request through from the very first phone call to delivery of services and problem resolution.

Whether seeking consultation or assistance in addressing employee or organizational concerns, our personal touch ensures that you will receive high quality services and unmatched responsiveness throughout your experience.

Our Business Brings Out the Best in Yours!

Partnership



Performance



Integrity



Dedication



Expertise



- 8. Getting your valued players to the best resource, the first time, really pays off.** When longer-term or more intensive care is needed, don't trust a website or call center to choose the best provider for your employees. Costs really begin to escalate when mismatches occur. Workplace Solutions carefully matches clients with providers demonstrating appropriate expertise who indicate time availability and willingness to accept the referral.
- 9. Attend to the needs of those on short-term disability and the players who are still in the game.** Does that short-term disability carrier offering a free EAP deeply care about issues beyond getting the disabled back on the playing field?
- 10. Seek the best value as opposed to the lowest price.** A full-service, strategic EAP serves your company, your workforce and their families for an entire year at an annual rate per employee that is less than the average American earns in salary and benefits for two hours of work.

When Workplace Solutions is your strategic EAP partner, "bringing out the best in your business" means a commitment to the productivity of your organization as a whole and the emotional well-being of each of your team members.

In addition to outstanding EAP services, we support your wellness initiatives and promote utilization with state-of-the art communication and promotional programs. Conceptually-sound, engaging training experiences via webinar and on-site workshops enhance productivity as well. Also of note, our expertise includes a broad array of organizational effectiveness services customized for your team.

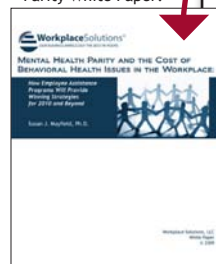
"...we support your wellness initiatives and promote utilization with state-of-the art communication and promotional programs."

To receive a comprehensive White Paper explaining Mental Health Parity and its impact or to learn more about these winning strategies, contact Paula Peacock at Workplace Solutions today (paula.peacock@wseap.com).

References

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email Paula to receive our comprehensive Parity White Paper!



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