

Mental Health Care: Gains and Gaps

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“We must act to bestow the full benefits of our society to those who suffer from mental disabilities; to prevent occurrence of mental illness...wherever and whenever possible; to provide for early diagnosis and continuous care in the community, of those suffering from these disorders; to stimulate improvements in the level of care given the mentally disabled in our State and private institutions, and to reorient those programs to a community-centered approach; to reduce, over a number of years and by hundreds of thousands, the persons confined to these institutions; to retain in and return to, the community the mentally ill... and there to restore and revitalize their lives through better health programs and strengthened educational and rehabilitation services...”

Kennedy, J.F., *Message from the President of the United States Relative to Mental Illness and Mental Retardation*, Washington D.C.: USGPO, 1963.

Introduction and Overview

- ◆ Mental health care and the well being of people with mental disorders improved notably 1955-2001
- ◆ Much still needs to be done
- ◆ The forces that drove gains create new challenges and threats
- ◆ Institutions aimed at creating a new stewardship for mental health represent a new frontier
- ◆ Recent innovations can be viewed in this light

Dimensions of Performance

- ◆ Access to care
- ◆ Quality of care
- ◆ Support for people with severe mental disorders
- ◆ Cost/spending

Access to Care

| | 1990-1992 | 2001-2003 | %Δ |
|-----------------|------------------|------------------|-----------|
| Any Tx All | 12.2% | 20.1% | 64.7% |
| Any Tx SMI | 24.3% | 40.5% | 66.7% |
| Any Tx Disorder | 20.3% | 32.9% | 62.1% |

Source: NCS and NCS-R

Quality of Care Indicators

| | 1975 | 1997 | 2002 |
|---|-------------|-------------|-------------|
| % of ADD care likely to be effective (acute phase) | 17% | 58% | 58% |
| % of schizophrenia meds appropriate dose and duration | 25% | 49% | 56% |

HEDIS Antidepressant Management: Commercial

| Year | Contacts | Acute Phase | Continuation |
|------|----------|-------------|--------------|
| 1998 | 22.7% | 54.3% | 38.0% |
| 2000 | 20.6%* | 57.8%* | 41.0% |
| 2002 | 19.2% | 59.8% | 42.8% |
| 2004 | 20.0% | 60.9% | 44.3% |
| 2005 | 20.6% | 61.4% | 45.0% |

*interpolated

Source: NCQA

Support for people with SPMI

| | 1970 | 1980 | 2000 |
|---------------------------|-------------|-------------|-------------|
| SSI/DI for SPMI | - | 17% | 62% |
| SPMI People living family | 12% | 10% | 19% |
| Mental Institutions | 22% | 14% | 3% |
| Correctional Facilities | 2% | 3% | 7% |
| Homeless SPMI | 2% | 2% | 3% |

Summing Up

- ◆ Far more people are getting care today than ever before
 - There remains much under treatment
- ◆ A higher proportion of people receiving care obtain more effective care than in past
 - A large portion of people in treatment do not receive evidence based care; Many treatments for major illnesses offer only modest improvements
- ◆ More people with SPMI are living independently in community settings
 - People with SPMI are most often condemned to a life of poverty: percent of people with SPMI who are homeless or in prison increased

Changes in Financing

Mental Health Spending by Payer Class 1971-2001

| | 1971 | 1991 | 2001 |
|---------------------------------------|----------|---------|---------|
| Medicaid | \$1.28b | \$9.2b | \$23.4b |
| | (14.2%) | (18.8%) | (27.4%) |
| Medicare | \$0.23b | \$3.3b | \$6.3b |
| | (2.6%) | (6.7%) | (7.3%) |
| State (exclude Medicaid) | \$2.720b | \$13.1b | \$20.0b |
| | (30.4%) | (26.7%) | (23.4%) |
| Private Insurance | \$1.10b | \$10.6b | \$18.7b |
| | (12.3%) | (21.7%) | (21.9%) |
| Fees/OOPs | \$3.19b | \$7.5b | \$10.9b |
| | (35.6%) | (15.3%) | (12.8%) |
| Total | \$8.96b | \$48.9b | \$85.4b |
| | (100%) | (100%) | (100%) |
| Share of National Health Expenditures | 11.1% | 6.4% | 5.9% |
| Share of GDP | 0.84% | 0.82% | 0.84% |

Observations on Changes in Financing

- ◆ Much more money is being spent on mental health than in 1971 but share of GDP is constant and share of health spending is declining

The mental health “cost” problem is different from the health care cost problem

- ◆ What we count as spending is different today

1971 much money spent on room and board in long stay hospitals was health spending

Today Section 8 housing vouchers, income support through TANF, SSI and SSDI, and employment programs not counted as mental health spending

Observations on Financing

- ◆ Medicaid is single largest financing source in 2001 (27.4%)
- ◆ State mental health agency spending now accounts for about 23% and it is increasingly tied to Medicaid
- ◆ Private insurance accounts for almost 22% of spending

Implications of Shifts in Financing

- ◆ Increased resources for mental health care have come from “mainstream” public health insurance and social programs
- ◆ If housing policy is your issue, mental health issues pose a challenge
- ◆ If welfare to work is your concern, mental health issues challenge policy design (28% of TANF adults)
- ◆ If disability is your interest, people with mental illnesses are a key sub-group (27% SSI; 35% SSDI)
- ◆ If child welfare or juvenile justice is a policy challenge, mental health issues are critical to address

An Observation on Mental Health as Social Problem

- ◆ Mental Health spending and progress has been driven by broader social programs
- ◆ The amount of spending in this area has not out paced general growth in income
- ◆ Throwing money at THIS social problem has made matters better

Additional Implications

- ◆ Because mental health resources have shifted to mainstream programs away from state mental health authorities
 - There is frequently a deficit in mental health expertise in key agencies running these programs
 - There is little “voice” representing mental health sensibilities

Challenges from Policy-Leadership Vacuum

- ◆ What new institutions, administrative structures and policies must be created to continue the progress of the past 50 years?
- ◆ How do we define a new stewardship for mental health in an era when state mental health agency influence has waned?

Examples of Some New Directions

- ◆ State government: New Mexico Purchasing Collaborative
- ◆ Health care integration: primary care and mental health initiatives of
 - MacArthur, RWJF and Hogg Foundation
- ◆ Federal government: SSA Supported Employment Initiatives

Concluding Remarks

- ◆ Mainstream health insurance, income support and social service programs have been key drivers of progress in mental health
- ◆ As the center of gravity in mental health policy has shifted away from SMHAs, a leadership/policy design vacuum has been created
- ◆ The new challenge is to ensure stewardship of modern mental health care arrangements