ALLIANCE FOR HEALTH REFORM

Mental Health Policy

An Alliance for Health Reform Toolkit produced with support from the Robert Wood Johnson Foundation

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September 7, 2012
www.allhealth.org

Fast Facts

- An estimated 45.9 million adults in the U.S. age 18 or older had any mental illness in 2010 (one out of five people in this age group).[1]
- In 2010, an estimated 31.3 million adults received any kind of mental health service during the past year.[2]
- Among adults with severe mental illness, 60.8 percent received mental health services during the past year.[3]
- An estimated 11.1 million adults reported an unmet need for mental health care in the past year. Of those, 5.2 million had not received any mental health care at all in the past year. [4]
- Individuals out of work are four times as likely as those with jobs to report symptoms consistent with severe mental illness.[5]
- The cost of care is cited most often by people who recognize that they need mental health treatment but don't get it.[6]
- In 2010, an estimated 22.1 million persons aged 12 or older were classified as having substance dependence or abuse in the past year (8.7 percent of the population in this age group).[7]
- The most commonly abused substance is alcohol, with 17.9 million people dependent or abusing in 2010 (7 percent of the population age 12 and older).[8]
- Some 2.9 million people were classified as dependent on, or abusing, both alcohol and illicit drugs.[9]
- Marijuana was the illicit drug with the highest rate of dependence or abuse in 2010 (4.5 million people age 12 and older). Almost two-thirds of those reporting illicit drug abuse or dependence used marijuana or hashish.[10]
- On January 1, 2010, most group health plans began implementing a law putting mental health and substance abuse treatment on a parity with treatment of medical and surgical conditions.[11]

Background

Mental health problems have been rising in the public consciousness, for several reasons. Many stories about the July 2012 movie theater murders in Aurora, Colo and the January 2011 shooting of former U.S. Rep. Gabrielle Giffords focused on the mental instability of the shooters. Also, as many as 300,000 American military personnel have returned from the wars in Afghanistan and Iraq with post-traumatic stress disorder (PTSD), causing hardships for these individuals and their families.[12]

In addition, persistent unemployment caused by the recent recession has had mental health consequences. Jobless individuals are four times as likely as those with jobs to report symptoms of severe mental illness.[13]

Even before these dramatic events, Congress was showing more attention to mental health issues than in decades past. Advocacy by the mental health and substance abuse communities finally resulted in passage of the Paul Wellstone and Pete Domenici Mental Health Parity and Addictions Equity Act in October 2008. "Parity" means that when a group health plan covers mental health or substance-abuse conditions, no treatment limitations or financial requirements can be imposed that are stricter than for the medical or surgical benefits provided by the plan.[14] The law corrects practices that had been commonplace, such as putting a limit on the number of times an insured person could see a mental health professional or capping the number of days the person could spend in a mental health or substance abuse facility.

Interim regulations issued to implement the law have engendered a new set of controversies, however, as consumers and managed care organizations grapple over parity's reach. Even after the regulations become final, questions about the scope of services covered by the law will likely be sorted out in courtrooms. Still, the law is now in effect, and all insurance policies issued after July 1, 2010 must comply with it.

The passage of the Patient Protection and Affordable Care Act in 2010 likewise gave a boost to those facing mental health challenges. In contrast to past attempts at health reform, coverage for mental health and substance use conditions was written into the health reform law. Treatment for these conditions was included in the essential benefits package required for health policies to be sold through the new health insurance exchanges beginning in 2014, and in general, the new law fully incorporated the parity law.

Many general provisions of the new law reform benefit people with mental health or substance use disorders. The elimination of coverage exclusions due to pre-existing conditions, for example, will make insurance available to Americans who have been denied coverage because of their histories of mental health or substance abuse treatment.

The extension of coverage under parents' policies to children under the age of 26 will mean that many facing the onset of mental illness will be covered at this critical moment in their lives. Similarly, the expansion of Medicaid holds the potential to bring millions with substance use or mental health disorders into the treatment system. This will not be

true, however, in states declining to go along with the expansion, an option allowed by the Supreme Court's 2012 ruling on the reform law's constitutionality.

These changes in policy will likely mean tremendous upheaval for the care and treatment system – really a patchwork of systems – that has developed under the rules in place for many years. Questions abound, among them: How many of those newly eligible will seek treatment? How will provider agencies integrate with the general healthcare field? Will there be capacity to meet growing demand?

RESOURCES

Scope of the Problem

"Results from the 2010 National Survey on Drug Use and Health: Mental Health Findings"
Substance Abuse and Mental Health Services Administration
Online publication, November 2011
http://www.samhsa.gov/data/NSDUH/2k10MH_Findings/index.aspx
This is the definitive study released each year offering national estimates of the prevalence in the past year of mental disorders and mental health service utilization for youths aged 12 to 17 and adults aged 18 or older. Among adults, estimates presented include rates and numbers of persons with any mental illness, serious mental illness, suicidal thoughts and behavior, major depressive episode, treatment for depression, and mental health service utilization. The report focuses mainly on trends between 2009 and 2010 and differences across population subgroups in 2010.

"Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings"
Substance Abuse and Mental Health Services Administration
November 2011
http://www.samhsa.gov/data/NSDUH/2k10NSDUH/2k10Results.htm
Like the mental health report mentioned above, this is the yearly report from the federal government on substance use and abuse. Includes chapters on illicit drug use, alcohol use, tobacco use, initiation of substance use, youth prevention-related measures, substance dependence or abuse, and trends in substance use among youths and young adults.

Financing Mental Health Care

"Mental Health Financing in the United States: A Primer"
Rachel Garfield, Kaiser Commission on Medicaid and the Uninsured
April 1, 2011 (46 pages)
www.kff.org/medicaid/upload/8182.pdf
Discusses public sector sources (Medicare, Medicaid, other public programs), private sector sources (private insurance coverage, out-of-pocket payments, other private sources) and how the two major types of financing sources interact.

"How to Bring Sanity to Our Mental Health System"
E. Fuller Torrey, MD, Heritage Foundation
December 19, 2011
http://thf_media.s3.amazonaws.com/2011/pdf/CPI_DP_02.pdf
"Fifty years ago, America began a grand experiment by transferring to the federal government the fiscal responsibility for individuals with mental illnesses. During that half-century, it has become increasingly clear that the experiment has been a costly failure, both in terms of human lives and in terms of dollars. The outcome was, in fact, clear as early as 1984, when the chief architect of the federal community mental health centers program proclaimed it to be a failure....Bringing sanity to our present mental health system is dependent on one essential change: Return the primary responsibility for such services to the states."

Parity Act

The Mental Health Parity and Addiction Equity Act of 2008
U.S. Department of Labor
http://www.dol.gov/ebsa/newsroom/fsmhpaea.html
This fact sheet describes the key features of the act, noting that it requires group health plans and health insurers to make sure that financial requirements such as co-payments and deductibles for mental health or substance abuse benefits are no more restrictive than those applied to medical/surgical benefits. The same is true for a cap on the number of office visits a covered person can have, and other treatment limitation.

"Obama Administration Issues Rules Requiring Parity in Treatment of Mental, Substance Use Disorder"
U.S. Department of Health and Human Services
News Release, January 29, 2010
http://www.hhs.gov/news/press/2010pres/01/20100129a.html
This news release was issued as the interim final rules were issued implementing the Mental Health Parity and Addiction Equity Act of 2008. Notes that the issue of mental health parity goes back more than 40 years to the era of President John Kennedy.

"Agencies Issue Final Rules for Mental Health Parity Act"
Society for Human Resource Management
Feb. 1, 2010
http://www.shrm.org/hrdisciplines/benefits/articles/pages/parityrules.aspx
A brief, practical guide for employers on how to make sure health plans comply with the law. Notes that the rules group into categories, including financial requirements such as copays and deductibles, treatment limitations, benefit classifications to which the rules apply, and standards for measuring plan benefits

Mental Health Parity and Addiction Equity Act
American Psychological Association
http://www.apa.org/helpcenter/parity-law.aspx
Explains in a very readable Q&A format what employers and covered individuals need to know about the law. A notable quote: "Research shows that physical health is directly connected to mental health and millions of Americans know that suffering from a mental

health disorder can be as frightening and debilitating as any major physical health disorder. Passage of this law will lead the health care system in the United States to start treating the whole person, both mind and body."

Parity Implementation Coalition
http://parityispersonal.org/
This is a website for consumers dedicated to ensuring that the Mental Health Parity and Addiction Equity Act is properly enforced. Includes instructions on how to file a claim with your health plan if benefits have been denied.

Parity and the Patient Protection and Affordable Care Act

"Moving Beyond Parity – Mental Health and Addiction Care under the ACA"
Colleen Barry and Haiden Huskamp
New England Journal of Medicine, Sept. 15, 2011
www.nejm.org/doi/full/10.1056/NEJMp1108649
Notes that the Affordable Care Act goes beyond the requirement of the federal parity law by mandating that both Medicaid benchmark plans and plans operating through state-based insurance exchanges must cover behavior health services as part of an essential benefits package. Also points out that the delivery system reforms in the law will help reduce fragmentation of care for those with mental illnesses, many of whom have higher than average rates of other illnesses.

"Mental Health Parity and the Patient Protection and Affordable Care Act of 2010"
Amanda K. Sarata, Congressional Research Service
December 28, 2011 (14 pages)
www.ncsl.org/documents/health/MHparity&mandates.pdf
"The ACA contains a number of provisions which, when considered together, achieve two key goals with respect to mental health parity: (1) they expand the reach of the applicability of the federal mental health parity requirements; and (2) they create a mandated benefit for the coverage of certain mental health and substance abuse disorder services (to be determined through rulemaking) in a number of specific financing arrangements."

"Medicaid Policy Options for Meeting the Needs of Adults with Mental Illness under the Affordable Care Act"
Kaiser Commission on Medicaid and the Uninsured
April 1, 2011
www.kff.org/healthreform/8181.cfm
"The Patient Protection and Affordable Care Act will expand the Medicaid program, offering the opportunity to improve access to care for millions of Americans with mental health disorders. States face several decisions about designing benefits, structuring service delivery and conducting outreach and enrollment for this population, which has unique health and social service needs. This report highlights key policy opportunities and challenges related to these decisions."

Best Practices

"Behavioral Health: Can Primary Care Help Meet the Growing Need?
Alliance for Health Reform
Briefing conducted May 4, 2012
www.allhealth.org/briefing_detail.asp?bi=239

The Patient Protection and Affordable Care Act has specific provisions covering mental health and substance use conditions, as well as general provisions to benefit those in need of behavioral health services. For example, the expansion of Medicaid holds the potential to provide treatment to millions with substance use or mental health disorders who might not otherwise have gotten this care. However, while addressing unmet needs, the reform law provisions raise new challenges. Given their budgetary constraints, will states be able to expand capacity to meet the demands of increased enrollment? Will sacrifices in other benefits and services be needed in order to provide mental health parity? Will the health professional workforce be large enough to serve those in need of care? This briefing addressed these and related questions. Includes links to the briefing webcast, videos of individual speakers' presentations and downloadable resources.

"Preventing Suicide: A Toolkit for High Schools"
Substance Abuse and Mental Health Services Administration
June 2012
http://store.samhsa.gov/shin/content//SMA12-4669/SMA12-4669.pdf (230 pages)
Assists high schools and school districts in designing and implementing strategies to prevent suicide and promote behavioral health. Includes tools to implement a multi-faceted suicide prevention program that responds to the needs and cultures of students.

"A Public Health Approach to Prevention of Behavioral Health Conditions"
Pamela Hyde, Administrator, Substance Abuse and Mental Health Services Administration
PowerPoint presentation, May 2012
http://store.samhsa.gov/product/A-Public-Health-Approach-to-Prevention-of-Behavioral-Health-Conditions/SMA12-PHYDE051512
This presentation by SAMSHA Administrator Pamela Hyde discusses public health factors important to preventing substance abuse and mental health disorders. Reviews some of the challenges in preventing behavioral health problems and potential solutions, with an emphasis on early intervention.

"Missouri: Pioneering Integrated Mental and Medical Health Care in Community Mental Health Centers"
Commonwealth Fund
January 20, 2011
www.commonwealthfund.org/Innovations/State-Profiles/2011/Jan/Missouri.aspx
Missouri has pioneered a program for Medicaid beneficiaries with severe mental illness that is based in community mental health centers and provides care coordination and disease management to address the "whole person," including both mental illness and chronic medical conditions.

"A Tale of Two Systems: A Look at State Efforts to Integrate Primary Care and Behavioral Health in Safety Net Settings"
Mary Takach, Kitty Purington and Elizabeth Osius
National Academy for State Health Policy
May 10, 2010 (30 pages)
www.nashp.org/sites/default/files/TwoSystems_0.pdf
"The key safety net systems for the delivery of primary care and behavioral health—community health centers and community mental health centers (CMHCs)—have developed largely in isolation from each other, with different mandates and different funding structures. While the two systems may be in the same community serving mostly the same population, the result can be fragmented systems in parallel and nonintegrated settings, creating challenges and barriers to integrated care. This report focuses on how two states have approached integration and provides useful lessons for other states seeking to integrate the two health care delivery systems."

"Mental Health and Medicaid Costs: Why Ignoring Mental Health is Expensive"
Michael Friedman, Huffington Post
February 22, 2011
www.huffingtonpost.com/michael-friedman-lmsw/mental-health-and-medicaid-the-_b_825047.html
"People with behavioral health conditions are at higher risk than others for physical illness and disability, and the cost of medical care for them is, on average, much higher than the cost of medical care for people without behavioral health conditions. Better behavioral health services for this population would be likely to reduce the costs of their physical health care and produce significant overall savings in health spending."

"Bringing Behavioral Health into the Care Continuum: Opportunities to Improve Quality, Costs and Outcomes"
American Hospital Association
January 1, 2012
www.ihatoday.org/uploadDocs/1/trendwatch.pdf
A chartpack laying out the rationale for better coordination of mental health care with care for other conditions.

SELECTED EXPERTS

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