Mental Health & Substance Use Care: Leadership in 2008

The American College of Mental Health Administration

March 13, 2008 - Santa Fe Summit

Linda Rosenberg, MSW
President and CEO, National Council for Community Behavioral Healthcare
Today…talk about

- Come so far, so far to go
- The 2008 healthcare debate
- Challenges and opportunities
- Taking the future into our own hands – public policy; quality; messaging and marketing; political engagement
The National Council

- Not for profit association of 1400 + mental health and addictions treatment and rehabilitation organizations

- Member organizations – state, county, not-for-profit and private - employ 250,000 staff and provide services to millions of adults and children in communities across the country
The National Council

We envision a nation where everyone will have access to early detection and the effective treatment and supports essential to live, work, learn and participate fully in their communities.
Come a long way

- Generation long effort moved hundreds of thousands of people warehoused in institutions to care
- Creation of case management, assertive community treatment, peer support, club houses, supported employment, housing, jail diversion initiatives.....
- Centralized state hospitals to decentralized pluralistic, market oriented system
- Passage of Medicaid and Medicare, expanding Social Security Disability Insurance and Supplemental Security Income
Come a long way

PORT Recommendations, Surgeon Generals Report, President’s New Freedom Commission, and Institute of Medicine reports all agree that:

- mental health and freedom from addictions are vital to overall health
- effective treatments exist and recovery is possible
Come a long way

- Up to 90% of people with a mental illness that are treated with a combination of medication and therapy experience substantially reduced symptoms, enhanced quality of life & increased productivity.

- Science has revolutionized our understanding of addictions – treatment has been shown to cut drug use in half, reduce crime by 80% & reduce arrests up to 64%.
Come a long way, but…

- Many people with mental illnesses and addictions are poor, stigmatized and dependent upon publicly financed – Medicaid - services.
Mental illnesses and addictions are widespread

- Up to two-thirds of homeless adults chronic alcoholism, drug addiction, mental illness or some combination of the three.
- 25% of hospital admissions have accompanying mental illness or addiction.
- A quarter of all social security payments are for individuals with mental illnesses.
- Mental illness drains our economy of more than $80 billion every year.
The 2008 healthcare debate – the numbers

- Insurance premiums doubled since 2000
- 64% of insurance costs are marketing, sales, and underwriting risk
- 16% of GDP on healthcare, no other country spends more than 10%
- US 31st in life expectancy, 40th in child mortality
- 75% of healthcare costs are attributed to 4-5% of individuals who have multiple, chronic illnesses
- 47 million without health insurance
High Cost - Causes

- We pay hospitals and doctors more
- Rely more on specialists using high technology diagnostics & interventions
- Weak to non-existent comparative effectiveness efforts
- Our fragmented array of insurers and providers drive high administrative costs
High Cost – Does it Matter?

- Extremely wealthy country; most like their insurance and providers
- Advanced treatments improve an individual's quality of life; end of life treatment
- But in several decades all of GDP for healthcare
- Govt. budgets crisis sooner – Medicare and Medicaid – raise taxes or cut programs
High Cost - Solutions

- Expenditures vary from region to region with no difference in outcomes – if entire nation cut costs to match lower spending regions save 20% to 30%

- Less than half of all care supported by good evidence – take decades to conduct comparative effectiveness studies, modify laws and change practitioner behavior

- Managed care kept costs down but practitioners and consumers hated it – live with it
High Cost - Solutions

- IT behind other sectors & foreign medicine, computerization in **long term** reduce paperwork burden, errors and repeated tests
- Everyone hopes prevention will cut costs, not clear if or when savings would show up
- 75% of costs by 4-5% with chronic illnesses, disease management was answer, data unclear
- High drug costs – allow Medicare to negotiate, importation of medications?
High cost – Who Pays

- Pay hospitals, nursing homes, pharma and providers less
- Skin in the game – 1974 to 1982 Rand study: 30% saving when people had to pay most of costs with no difference in outcomes, exception low income people in poor health
- Single payer???? – private insurance adopts uniform billing and payment procedures
The Candidates

- Clinton and Obama some difference magnified to differentiate themselves within their party – focus on universal coverage
- Clinton and Obama cost cut through EMR, prevention and disease management
- McCain not focused on universal coverage uses tax policy to cut costs - eliminating employer tax deduction, offering individual deduction – and allows policies across state lines by groups like churches, unions and associations
Healthcare reform?

- Universal coverage – 110 billion dollars; 9 out of 10 voters are insured
- Competing issues: AMT
- Universal coverage without cost containment = increased cost
- Special interests groups – wall street, hospitals, insurance, doctors, small businesses, research, pharmas, associations
- Gridlock – political polarization, little time governing
## Gridlock: Lobbying first half 2006

<table>
<thead>
<tr>
<th>Company/Association</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Chamber of Commerce</td>
<td>$31,440,000</td>
</tr>
<tr>
<td>U.S. Chamber Institute for Legal Reform</td>
<td>17,780,000</td>
</tr>
<tr>
<td>AT&amp;T and its predecessors</td>
<td>13,545,451</td>
</tr>
<tr>
<td>AARP</td>
<td>11,040,000</td>
</tr>
<tr>
<td>American Medical Association</td>
<td>10,740,000</td>
</tr>
<tr>
<td>Pharmaceutical Research and Manufacturers of America</td>
<td>8,840,000</td>
</tr>
<tr>
<td>American Hospital Association</td>
<td>8,280,000</td>
</tr>
<tr>
<td>Exxon Mobil</td>
<td>8,200,000</td>
</tr>
<tr>
<td>General Electric</td>
<td>8,020,000</td>
</tr>
<tr>
<td>American International Group</td>
<td>7,995,189</td>
</tr>
</tbody>
</table>
Challenges and Opportunities

- Ambivalence about “healthcare”: doctors, chronic illnesses and recovery, objective measures
- Focus on individuals with most serious mental illness
- Late detection – complex U.S. healthcare system
- Complexity of illnesses – early mortality and increased morbidity
Challenges and Opportunities

- Protecting individuals with mental illness from harm v. protecting society from dangers associated with mental illnesses
- Low rates of treatment retention & adherence
- Staffing crisis - low prestige and salaries/ high turnover
- Limited use of evidence based practices – low impact of workshops and training events – limited use of technology
Challenges and Opportunities

- Lack of understanding of business operations/ financial investment in new services
- No uniform standards of care and multiple layers of regulation and oversight
- Multiple hospital and community providers with fierce competition for Medicaid
- Limited access
Illustrative Medicaid Dynamics; Ohio Department of Mental Health
Community GRF (502+508+408) and Medicaid FY 1990 – FY 2007 (est) Deflated 3% per year

The Squeeze
What we must do…

- Focused policy agenda.
- Nurture strategic relationships.
- Reputation for quality – measure, measure, measure.
- Effective communications with media, advocates, policymakers & public.
- Be engaged and politically active.
Public Policy

- Parity/ Medicare
- Understanding and Defending Medicaid: Rehab Option and case management
- Veterans
- Criminal Justice: Mentally Ill Offender Treatment and Crime Reduction Act/Second Chance Act
- Community Mental Health Services Improvement Act
Community Mental Health Services Improvement Act

- Primary care in behavioral sites
- Co-occurring disorders funding demo
- Workforce improvements, salary study
- Paperwork reduction - elimination of regulatory redundancy
- Advancing tech. & electronic health record
What we must do politically...

- Understand and influence the national dialogue: mental health and freedom from addictions are vital to overall health and effective treatments exist

- **Tell our story**

- Measure, measure, measure

- Be essential communities problem solvers

- Partner – bridge the divide between health, mental health, addictions treatment communities

- Commit to using our influence: Congress doesn’t know us very well and CMS doesn’t always like us
Build relationships with policy-makers

- Be informed, www.thenationalcouncil.org
- Meet them in Washington or the District
- Get to know staff —
- Help them — contribute to their campaign, attend a fundraiser, put up yard signs, block walk, etc.
- Maintain contact
“Political action is the highest responsibility of a citizen.”

John F. Kennedy