Continuing Disparities in Access to Mental and Physical Health Care

NAMI
National Alliance on Mental Illness

About NAMI

NAMI, the National Alliance on Mental Illness, is the nation's largest grassroots mental health organization dedicated to building better lives for the millions of Americans affected by mental illness.

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INTRODUCTION

Each year, millions of Americans with mental illness struggle to find care. Nearly half of the 60 million adults and children living with mental health conditions in the United States go without any treatment. People who do seek treatment must navigate a fragmented and costly system full of obstacles.

Many people cannot access mental health care when they most need it. Despite passage of a federal mental health and addictions parity law in 2008, significant barriers exist in accessing mental health treatment and support. Barriers include high rates of denials of care by insurers, high out-of-pocket costs for mental health care, difficulties accessing psychiatric medications and problems finding psychiatrists and other mental health providers in health insurance networks.[1–3]

In 2016, NAMI, the National Alliance on Mental Illness, conducted its third nationwide survey to explore the relationship between health coverage and access to mental health care. The survey found that people with mental illness continue to experience significant barriers to finding affordable, accessible mental health care. These barriers exist whether the person is covered by private insurance or by a public plan such as Medicaid. This report identifies possible reasons for these barriers to finding mental health care in health insurance networks and suggests steps to remedy them.

SURVEY DESCRIPTION

NAMI conducted an online survey in 2016 to assess the experiences of health insurance beneficiaries when they seek mental health care. The survey drew responses from 3,177 individuals. To be eligible, respondents could have either private health insurance or public health coverage such as Medicaid or Medicare. The survey explored access to mental health and substance use care compared to primary and specialty medical care. Respondents could answer for themselves or for a relative for whom they could provide reliable information. Most respondents answered for themselves (63.1%) or their child (27.5%).

Participants were typically female (62%) and White/Caucasian (86%), and 50.3% were aged 26–49. Most respondents (59.6%) earned less than $25,000 per year, although 45% worked full- or part-time.

SURVEY RESULTS

The Paul Wellstone and Pete Domenici Mental Health Parity and Addictions Equity Act of 2008 (MHPAEA) requires parity in health insurance coverage of mental health and physical health benefits. These requirements apply both to quantifiable treatment limitations (co-pays, deductibles, annual and lifetime caps, etc.) and non-quantifiable treatment limitations, such as criteria for providers to participate in plan networks and the design of health plan networks. Despite these requirements, people are encountering mental health provider networks in health plans that are significantly narrower than those for primary care or specialty care. In addition, respondents incurred higher out-of-pocket costs for mental health services than for other types of medical care. These disparities in accessing mental health care relative to primary care and specialty care exist whether the care is outpatient, inpatient or residential.

Outpatient Mental Health Care

For the purposes of this study, outpatient mental health questions focused on two types of providers: (1) mental health prescribers (psychiatrists and other licensed providers who prescribe mental health medications) and (2) mental health therapists (licensed psychotherapists or counselors).

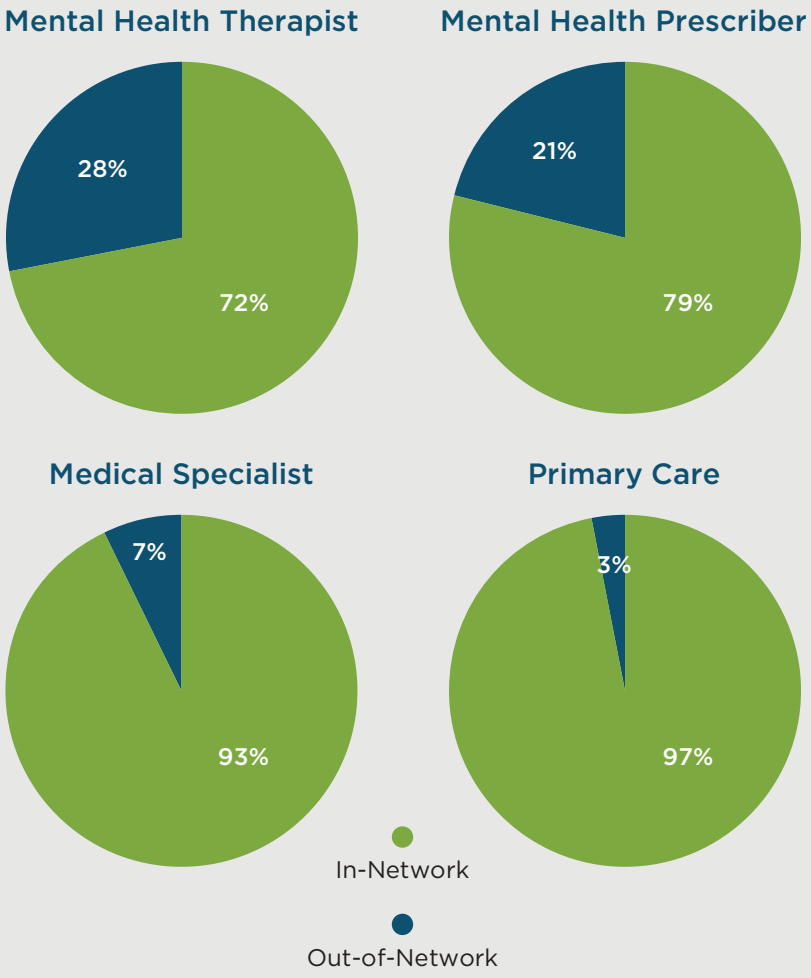
Of the respondents who received psychotherapy, 28% used an out-of-network provider. By contrast, only 7% of respondents used an out-of-network medical specialist and only 3% used an out-of-network primary care provider.

Thirty-four percent of respondents with private insurance reported difficulties finding *any* mental health therapist who would accept their insurance compared to other types of medical specialists (13%) or primary care providers (9%). This problem was present both in less populous rural regions and in urban or suburban regions with a greater supply of psychiatrists and other mental health professionals.

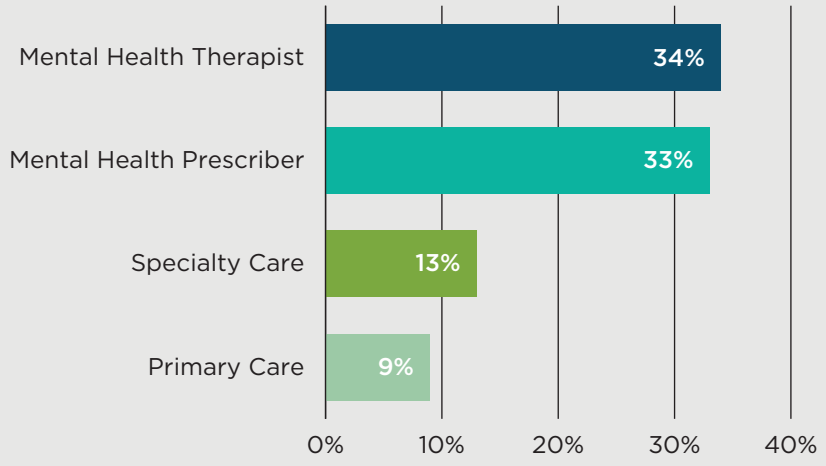
Searching for a New Provider

Obtaining a new provider is particularly challenging because the mental health workforce is in short supply. Nearly a third of the respondents reported that they had looked for a

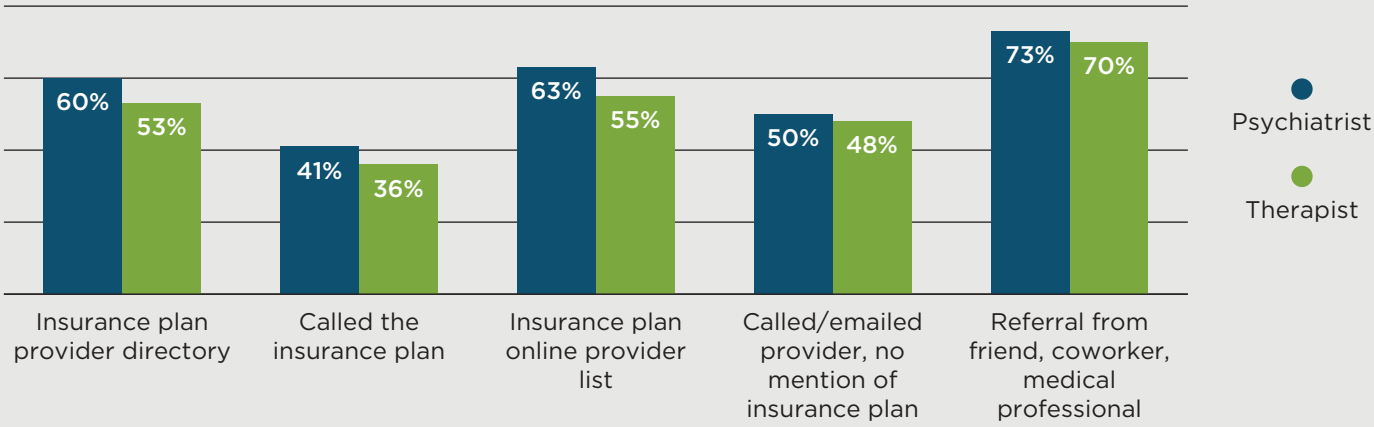
Rates of Out-of-Network Outpatient Care



Rates of Difficulty in Finding a Provider



Resources Used to Search for a Mental Health Provider



new mental health provider in the last year—28% looked for a prescriber and 30% for a therapist. With respect to selecting resources used to locate a provider, the results were very similar whether the person had sought a psychiatrist or a therapist. The most common approach was to get a referral from a friend, coworker or medical professional (73% psychiatrist, 70% therapist). The next most common approach was to consult a provider list either in a directory or online (63% psychiatrist, 55% therapist).

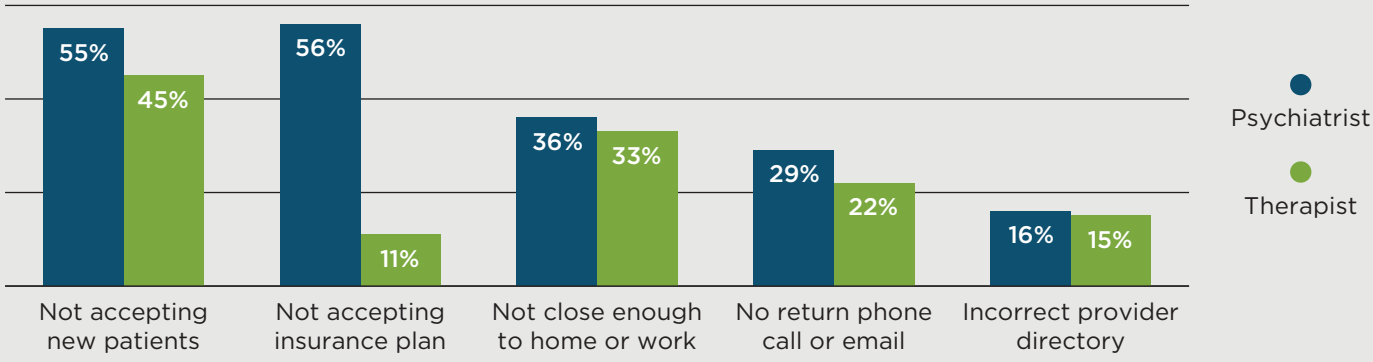
Two in five called the health plan (41% psychiatrist, 36% therapist) and half called a provider directly without mentioning their health plan (50% psychiatrist, 48% therapist).

When trying to find a provider, respondents reported the most severe problems as follows:

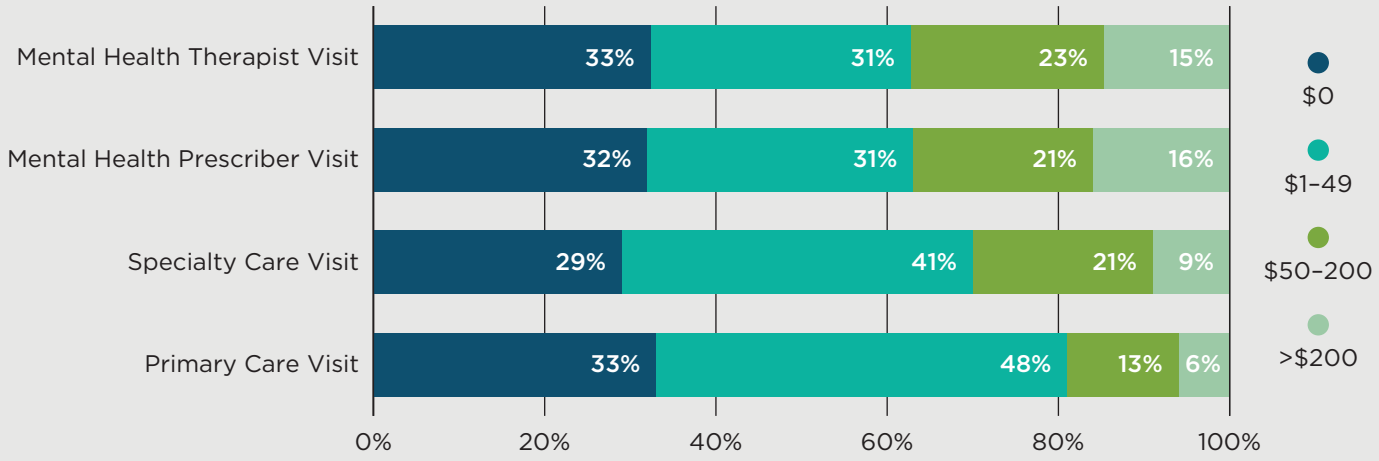
1. Providers were not accepting new patients (55% psychiatrist, 45% therapist); or
2. Providers were not accepting their health plan (56% psychiatrist, 11% therapist).

The data shows that finding a new psychiatrist was more difficult than finding a therapist. About one-third of respondents had a severe problem with finding a provider close to home or work (36% psychiatrist, 33% therapist). Respondents remarked that many providers did not respond to telephone or email inquiries (29% psychiatrist, 22% therapist), while incorrect information in provider directories presented barriers for some respondents (16% psychiatrist, 15% therapist).

Barriers to Securing a Mental Health Provider



Rates of Out-of-Pocket Costs for Outpatient Care



Note: Totals may exceed 100% due to rounding.

Outpatient Service Costs

Respondents reported higher out-of-pocket costs, such as co-pays, for outpatient mental health services than for other types of medical care. Out-of-pocket costs exceeding $200 were more frequent for visits to mental health therapists (15%) and psychiatric prescribers (16%) compared to medical specialty care (9%). These results are concerning because higher out-of-pocket costs can lead people to get less care—or to go without any mental health treatment at all.

Inpatient Mental Health Care

Respondents also reported challenges locating inpatient mental health care. Respondents were far more likely to use an out-of-network hospital or residential facility for mental health care than for other medical needs. Psychiatric hospital care includes care received in state-operated psychiatric hospitals, private free-standing psychiatric hospitals and psychiatric units within general hospitals. Residential care refers to inpatient mental health services received in a longer-term residential setting.

Psychiatric Hospital Care

More than twice as many respondents (12%) who received psychiatric hospital care used an out-of-network hospital compared to those who used out-of-network medical hospital care (5%). In addition, twice as many (20%) had difficulty locating any inpatient psychiatric hospital, whether in- or out-of-network, compared to the 10% who reported difficulty finding any inpatient medical care.

Difficulties in finding inpatient psychiatric care are consistent with recent reports documenting significant shortages in psychiatric hospital beds. These shortages are particularly problematic for acute and emergency inpatient care and contribute to problems such as psychiatric emergency room boarding (keeping a person in the emergency room to wait for an available inpatient bed) and disproportionate numbers of people with mental illness who are inappropriately incarcerated in jails.[4-5]

Shortages of inpatient psychiatric beds are not attributable solely to inadequate insurance coverage. Other factors have contributed, including limitations in Medicaid and Medicare on paying for inpatient psychiatric care for adults, cuts in public funding for inpatient care and private hospitals' closing of psychiatric units in favor of more lucrative medical-surgical units.

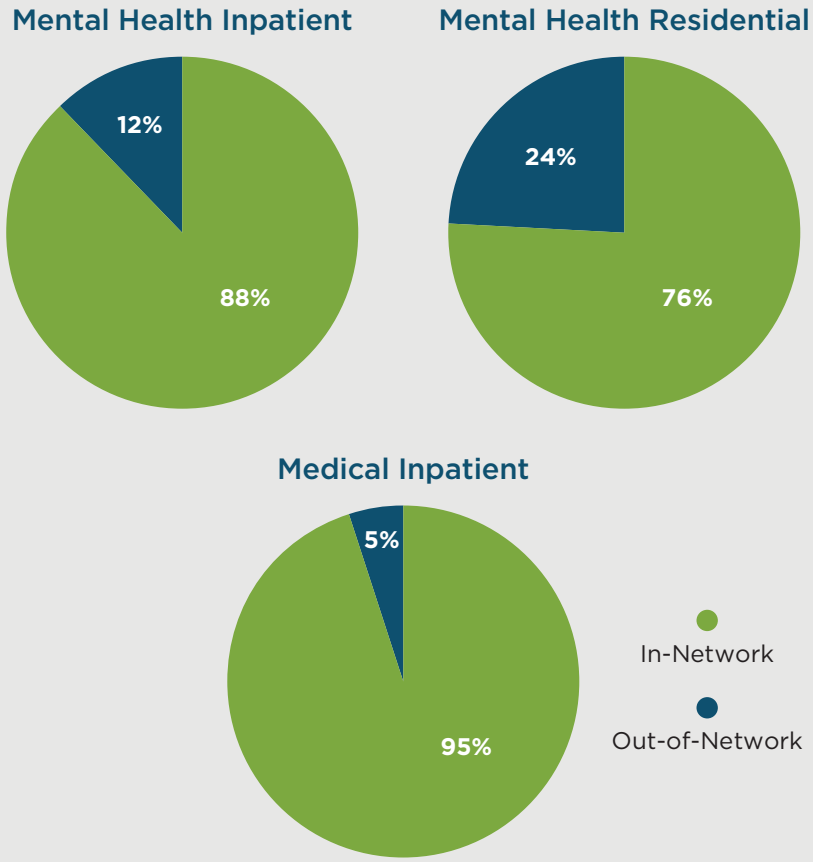
Residential Mental Health Care

Of respondents who received residential mental health care, nearly one-quarter (24%) had to go out-of-network. Further, 27% of respondents reported difficulties finding any appropriate residential facility, either in- or out-of-network.

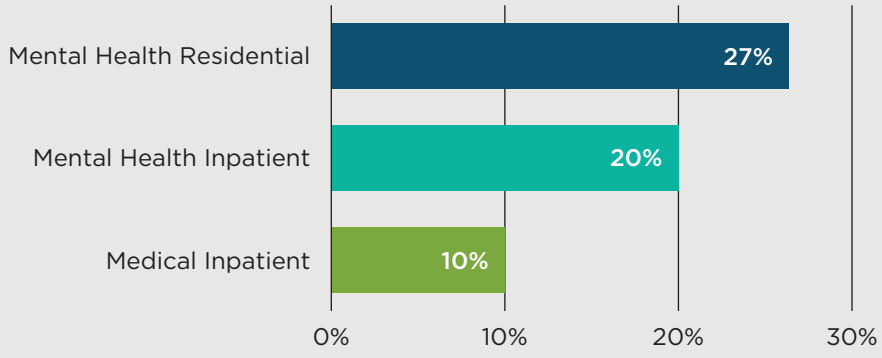
Medicaid In-Network Care More Likely

In many states, Medicaid provides a comprehensive array of well-researched, clinically-proven interventions that private insurance does not cover. Although Medicaid recipients who participated in the survey reported some difficulties locating mental health services, they were far more likely to use in-network services than were people with private insurance.

Rates of Out-of-Network Residential and Inpatient Care



Rates of Difficulty in Finding Residential and Inpatient Care

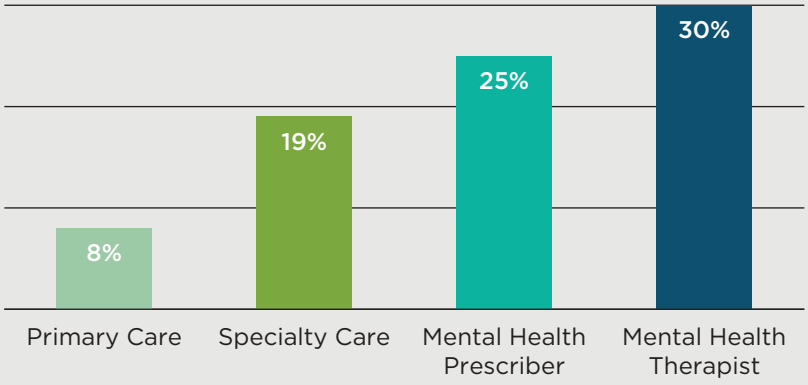


Out-of-Network Use by Medicaid vs. Private Insurance

Type of Service	Medicaid Out-of-Network	Private Insurance Out-of-Network
Mental Health Prescriber	13%	29%
Mental Health Therapist	14%	32%
Mental Health Hospital	8%	16%
Mental Health Residential	16%	38%

This is a significant advantage for people covered by Medicaid. However, this distinction may not apply to people in states that contract with managed care organizations to run their Medicaid behavioral health services, as these organizations may not have the same provider networks as are available under Medicaid fee-for-service programs.

Medicaid Outpatient Out-of-Pocket Costs Reported as a Barrier to Care



Note: Over two-thirds of Medicaid respondents reported no out-of-pocket costs.

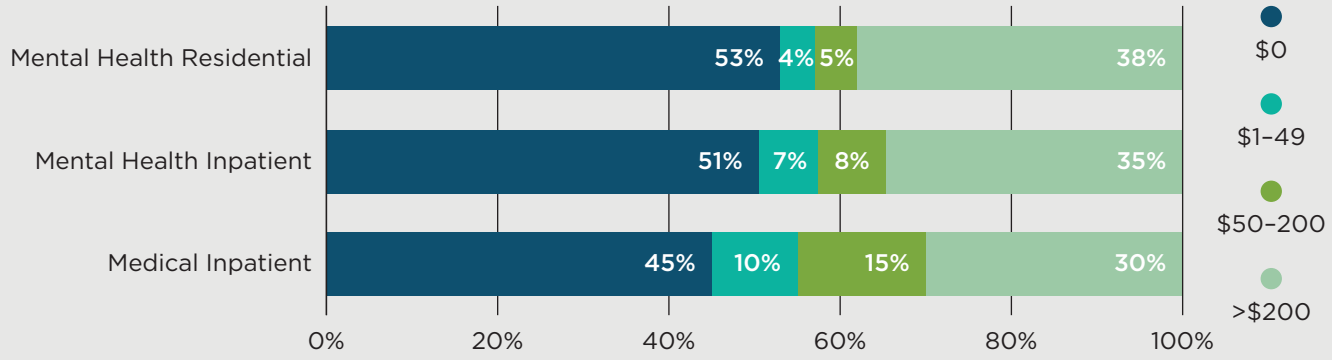
Medicaid Out-of-Pocket Costs

Medicaid Outpatient Costs

Over two-thirds of the Medicaid enrollees who responded to the survey reported no out-of-pocket costs. Most state Medicaid programs do not impose cost-sharing on enrollees because even relatively minor out-of-pocket costs are shown to impede care for people with very low incomes.[6] Medicaid enrollees who did incur out-of-pocket costs reported these expenses as more of an impediment to accessing mental health care than other medical specialty care or primary care.

Of Medicaid recipients responding to the survey, 25% reported that out-of-pocket costs deterred them from seeking a mental health prescriber, and 30% reported being deterred from seeking a therapist. By contrast, 19% of respondents reported that out-of-pocket costs deterred them from seeking other medical specialty care and 8% from seeking primary care. These findings are important because a number of states have considered or are considering imposing out-of-pocket costs on Medicaid recipients—even on those Medicaid recipients who are most impoverished.

Rates of Medicaid Inpatient Out-of-Pocket Costs



Note: Totals may exceed 100% due to rounding.

Medicaid Inpatient Costs

Out-of-pocket costs for mental health inpatient and residential care were more likely to be at the extremes than for medical inpatient care. Respondents were more likely to have no co-pay for mental health residential care (53%) or mental health hospital care (51%) compared to medical inpatient care (45%). However, when out-of-pocket costs were imposed, they were more likely to be more than $200 for mental health residential (38%) or mental health hospital care (35%) than for other inpatient medical care (30%).

Out-of-pocket costs were far lower for Medicaid enrollees than for people with private insurance. Three-quarters of those with Medicaid (74% for mental health residential to 78% for mental health inpatient care) had no out-of-pocket expenses, while those with private insurance were more likely to owe more than $200 in out-of-pocket costs.

DISCUSSION

People with mental illnesses struggle to find care even when they have health insurance coverage. Overly narrow provider networks and high out-of-pocket costs create barriers to accessing mental health treatment and may even cause people to go without needed care.

NAMI's 2015 survey revealed similar limitations in health plan provider networks and access to care, as have other reports and studies.[7]

Why do mental health provider networks appear to be consistently narrower in health insurance plans than provider networks for primary care and other types of specialty care? One factor may be incentives for insurers to limit the number of providers to avoid paying for people who may be sicker or have more complicated conditions and are, therefore, costlier to treat.[8]

However, other reasons exist. The United States, particularly in rural regions, has significant shortages of psychiatrists and other mental health professionals. According to the Substance Abuse and Mental Health Services Administration (SAMHSA), nearly 91 million Americans live in regions with severe shortages in available mental health professionals.[9] SAMHSA estimates that a minimum of 1,846 psychiatrists and 5,931 other practitioners would be necessary to fill these gaps.[10]

Another significant factor is that even in more populous regions with greater numbers of psychiatrists, many psychiatrists are unwilling to participate in insurance networks. A recent study revealed that only a little over half of psychiatrists nationally take insurance, compared with close to 90% of physicians in other medical specialties.[11] The data also showed that psychiatrists participate in Medicare and Medicaid at significantly lower rates than other physicians do.

This trend has several possible explanations. One possibility is low reimbursement rates compared with primary care and specialty medical care physicians. An additional factor may be that many psychiatrists have solo practices and do not have the time or capacity to complete paperwork requirements necessary for insurance reimbursement.[13] Another possible explanation is that severe shortages in the supply of psychiatrists may create such demand for their services that they have limited incentive to accept insurance. In other words, the numbers of people willing to pay privately for psychiatric services may be sufficient to reduce the need to seek reimbursement through private insurance or public programs such as Medicare and Medicaid. Related to this, some psychiatrists may also be selective about whom they are going to treat. Limiting one's practice to patients who have the capacity to pay may exclude those individuals who have fewer resources, are sicker and are more complicated to treat.

The current situation is unacceptable. Access to quality, affordable mental health care restores lives and reduces the need for costly inpatient care. Barriers to accessing effective mental health care are likely to worsen unless immediate steps are taken to address shortages in the mental health workforce and overly narrow networks of psychiatrists and other mental health professionals in health insurance networks. Policymakers, healthcare providers, health plans and advocates must join forces to identify effective policies and drive change.

POLICY RECOMMENDATIONS

Conduct federal and state-level market audits of health plan parity compliance

Given the substantial differences in access to in-network mental health care and out-of-pocket costs compared to other primary care and specialty medical care, it is vital that state and federal regulators routinely conduct market audits of all commercial health insurers and Medicaid managed care organizations for compliance with the federal Mental Health Parity and Addictions Equity Act (MHPAEA). Documentation that payment rates for mental health care are lower than payments for comparable primary care or specialty medical care would violate the MHPAEA. So, too, would documentation that provider networks for mental health care are narrower than for physical health care.

Improve network adequacy for mental health care

Health insurers and Medicaid managed care organizations should examine rates of out-of-network care use for mental health services compared to other primary and specialty medical care and take aggressive steps to eliminate any disparities in access to mental health care, including implementing the following:

1. Increase reimbursement rates and other incentives for psychiatrists and other mental health clinicians;
2. Increase reimbursement and reduce barriers for tele-mental health services;
3. Expand reimbursement for models that integrate health, mental health and substance use disorder care, such as the Collaborative Care Model;
4. Recruit and contract with a wider range of providers, including mental health and substance use disorder residential and inpatient facilities and allied mental health workers, such as peer support and family support specialists; and
5. Promote use of advance practice nurses and other health care professionals with appropriate training to prescribe mental health medications.

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