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RE: Reform Medicaid for Better Access to Mental Health Resources

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Introduction

Mental health has been a significant issue in America for quite sometime now, and there has been an increased push for more awareness and acceptance regarding mental health issues. Despite the expansion of awareness surrounding mental health issues in our nation, there is a lack of mental health resources available for low-income individuals covered by Medicaid insurance. The National Alliance on Mental Illness reported that 1 in 5 adults experience mental illness in a given year, showing the extent and prevalence of mental health issues in our nation¹. This policy memo will discuss the biggest problems in accessing mental health resources under Medicaid. The section entitled **Policy History** will delve into the history of mental health issues and their prevalence while presenting information about Medicaid itself. Additionally, this section discusses previous policies regarding mental health resources, like the Mental Health Parity and Addiction Equity Act. The next section, **Problem Definition**, defines the issues in accessing mental health resources under Medicaid. The biggest issues involving the accessibility of resources are the presence of shortage areas, the lack of clear information presented on by Medicaid, and the absence of a nationwide standard of care. The following section, **Policy Influencers** will discuss the most influential interest groups in regard to accessing mental health resources through insurances. The last section, **Policy Alternatives & Solutions**, outlines the

policy alternatives to remedy the issues discussed in the section Problem Definition. The three policies established in this section are the introduction of Certified Community Behavioral Health Clinics, the expansion of telehealth, and the installation of a nationwide standard of care. The three policy options that will be presented are all targeted at different issues regarding access to mental health resources under Medicaid. The introduction of Certified Community Behavioral Health Clinics will be effective and efficient in targeting shortage areas, but might receive some political pushback due to the costs. The expansion of telehealth will be extremely effective and efficient in addressing the lack of information presented by Medicaid, and will be politically feasible. The establishment of a nationwide standard of care will be the most difficult to establish based off the political sphere, but would be efficient in uniting all the states on their presentation of mental health resources.

Policy History

Medicaid is a federal and state level insurance program that pays most of the medical costs for very low-income individuals who receive poverty income. Currently, Medicaid covers mental health issues under their Behavioral Health Services, which also includes other illnesses like substance abuse disorders². Under the Behavioral Health Services, Medicaid policy does not specify which resources are specifically dedicated to those with mental health issues, which is a problem for those needing information about available mental health resources under Medicaid. States can determine the amount, duration, and scope of mental health services they offer which can create discrepancies between the type of care accessible by state³. One of the most important contemporary developments on mental health policy is the Mental Health Parity and Addiction

Equity Act. This bill was introduced and passed in 2008, and is vital to those who access mental health resources under Medicaid⁴. The Mental Health Parity and Addiction Equity Act is a federal law that is focused on preventing discriminatory practices that prohibit access to insurance coverage for behavioral health resources including mental health or substance abuse disorders⁵. This law is extremely important to this policy issue area because it is able to prohibit discrimination against individuals with mental health issues. With the introduction of this law, those seeking mental health resources are protected which aids the de-stigmatization of mental health issues. Although the Mental Health Parity and Addiction Equity Act has been incredibly useful in protecting Medicaid users from discriminatory practices while trying to access mental health resources, the act is not comprehensive enough. The act prohibits unfair practices, but it does not expand the standard of care throughout the nation nor does it increase the services available under Medicaid for those with mental health issues. Despite the addition of this act, there are still major issues regarding the accessibility of services and information provided by Medicaid for mental health illnesses.

Problem Definition

The Kaiser Family Foundation reported that in 2015, “over 43 million adults had a mental illness and nearly 10 million had a serious mental illness, such as depression, bipolar disorder, or schizophrenia”⁶. Additionally, the 2015 National Survey On Drug Use and Health states that approximately 9.1 million adults with Medicaid had a mental illness, showing the magnitude of this issue⁷. Although Medicaid only covers 22% of nonelderly individuals with mental illnesses in the United States, it is still a significant amount of people who depend on the

resources provided by Medicaid⁸. The three main problems facing individuals covered by Medicaid who are trying to access mental health resources are shortage areas, the lack of information provided by Medicaid, and the lack of a national standard of care.

1. Shortage Areas

Shortage areas, which refers to locations where there is a lack of health care providers, are extremely prevalent in our nation. The Kaiser Family Foundation reported that within the United States, there are 5,124 shortage areas where more than 115 million individuals do not have access to health providers ⁹. The biggest region that is affected by a lack of healthcare providers is in California where there are 498 designated shortage areas, affecting close to 8 million people ¹⁰. There are shortage areas in every single state, proving that this is a nationwide issue facing individuals with mental health issues and those covered by Medicaid.

2. Lack of Information

The Center for Behavioral Health and Health Statistics and Quality reported that 2.5 million people with Medicaid reported an unmet need for mental health treatmentm ¹¹. This shows that although a significant amount of people are covered by Medicaid and receive care for mental health illnesses, there are 2.5 million individuals who do not feel like their mental health needs are being treated properly by their Medicaid insurance. This can be due to the lack of providers in certain areas, as mentioned, or it can be due to the lack of information on the type of services provided by Medicaid, which brings to light another significant issue with Medicaid's mental health resources. Medicaid does not clearly define the types of services offered to directly

aid mental health illnesses, which creates an issue for those trying to access care. There is clearly a gap between the resources presented and the perception or understanding of which resources are available.

3. Lack of Standard

The last major issue regarding the access of mental health resources under Medicaid is the lack of a nationwide standard. Currently, each state can determine their budget regarding the amount of funding spent on mental health resources. This issue can be seen in Oklahoma where they proposed a new budget cut to their Department of Mental Health and Substance Abuse Services, which would decrease their budget by \$23 million ¹². This creates a nation-wide issue because certain states are required to provide services while others are not, creating a gap in the standard of care required by each state. Without the establishment of a nationwide standard of care, states like Oklahoma can cut their budget to their mental health resources, which would negatively affect those trying to access services.

Mental health issues have been a recurring problem in our nation for sometime now, but despite the growing awareness on this issue, the rates of mental illnesses are increasing, especially for the youth. A 2019 study published in the Journal of Abnormal Psychology found that between 2009-2017, rates of depression rose by 47% among those ages 12 to 13 and more than 60% among those ages 14 to 17 ¹³. This not only shows the extent of the issue, but also the rising problem with mental health. Additionally, the Substance Abuse and Mental Health Services Administration reported that adults ages 26 or older living below the poverty line were more likely to experience serious mental illness than those living at and above the poverty line,

showing that those covered by Medicaid are seriously impacted by the problem ¹⁴. From this information, it is clear that rates of mental health issues are persisting in our nation, which means our programs must be updated to accommodate individuals with mental health issues. This issue isn't entirely time sensitive, but it is extremely important considering the increasing rates of mental health issues, which is why policy alternatives must be introduced immediately.

Policy Influencers

The National Alliance on Mental Health, the Kaiser Family Foundation, and Mental Health America are all critical organizations in pushing for the expansion of policy reform for mental health issues and are the most influential interest groups involved in this issue. One of the most notable proponents of mental health awareness and support is Mental Health America. Mental Health America is one of the nation's leading community-based nonprofit organizations that focuses on promoting mental health in America and supporting those who have mental health issues. One aspect of Mental Health America that is extremely pertinent to this issue is that they outline their position on different policies related to mental health. For example, in their Position Statement 32, they state that they are opposed to policies that restrict access to medically necessary medication and support the lowering of costs to access those medications ¹⁵. Mental Health America is not only a useful support system for those with mental health issues, but they are also advocating and fighting policy that they believe will hinder the wellbeing of individuals with mental health issues.

Another notable proponent of mental health policy is the Kaiser Family Foundation. This organization is a leader in health policy analysis and health policy journalism and

communication with the goal of spreading factual, non-partisan information around health policies. Although the Kaiser Family Foundation is not solely focused on mental health, they are a major source of information regarding the state of mental health policy in our nation and provide clear information and statistics around the issues of mental health.

Also, the National Alliance on Mental Illness is an influential organization for policy on mental health. The National Alliance on Mental Illness has played a major role in enacting and supporting bills in the past that have aided in expanding mental health policy by using their grassroots power to gain support on mental health reform from Congress.

Policy Alternatives/Possible Solutions

The Health Resources & Services Administration reported that 89.3 million Americans live in areas where mental health professionals are not available, proving that this is one of the biggest barriers to accessing care for individuals covered by Medicaid ¹⁶. In order to counteract the absence of providers in certain areas, some states have introduced Certified Community Behavioral Health Clinics. Certified Community Behavioral Health Clinics offers a comprehensive range of mental health services to vulnerable individuals and in return receive an enhanced Medicaid reimbursement rate based on the expected costs of increasing resources to reach the requirements or needs of that area ¹⁷. These clinics offer nine types of services and emphasize their 24-hour crisis care service, the use of evidence-based practices, and an eclectic mix of care coordination with physical health care ¹⁸. All individuals can access the resources provided by the Certified Community Behavioral Health Clinics if they are covered by Medicaid, or lack insurance, showing that this policy alternative would benefit those with Medicaid but also

those who do not have insurance at all. The Behavioral Health + Economics Network reported that Certified Community Behavioral Health Clinics have a significant positive impact on the amount of resources accessed in that area ¹⁹. The 2014 Excellence in Mental Health Act introduced the Certified Community Behavioral Health Clinics which prove that when behavioral health is properly funded and can cover the costs of care that they give, they can offer competitive salaries and increase employee satisfaction to retain qualified providers. Based off of the success of the 2014 Excellence in Mental Health Act, it can be assumed that the continuation of the expansion of Certified Community Behavioral Health Clinics would be an effective policy alternative to combating the issue of shortage areas. Certified Community Behavioral Health Clinics were created based on the notion that mental health resources can be expensive. In order to combat those costs, the clinics are paid a Medicaid rate that anticipates the costs of expanding services and new consumers. Despite its unique design, Certified Community Behavioral Health Clinics are the most costly policy alternative introduced in this memo. Although it would be effective, it may not be politically feasible. Since the 2014 Excellence in Mental Health Act has already been enacted, there may be pushback to expanding this act nationwide due to the cost of Certified Community Behavioral Health Clinic. Certified Community Behavioral Health Clinics would directly impact the access to mental health resources by increasing the amount of providers available to treat mental health issues at little to no cost to the individual.

Another problem that arises with access to mental health resources under Medicaid is that there is no clear path for care. The Kaiser Family Foundation noted that behavioral health services may be harder to access because they are not clearly defined under Medicaid, so often people don't know which resources they qualify for ²⁰. Some benefits fall under mandatory

Medicaid requirements but are not specifically linked to behavioral health services, creating confusion for individuals who are trying to gain access to care. To substantiate this claim, a study by the Center for Behavioral Health and Health Statistics and Quality reported that 2.5 million people with Medicaid reported an unmet need for mental health treatment ²¹. Not only do people not have access to mental health professionals, but they are also unclear on the types of care provided or how to access it. Telehealth, which refers to health-related services that can be accessed electronically or online, would grant people a clearer understanding of the services offered through Medicaid. Expanding telehealth could include the implementation of a hotline or a simple website redesign. This policy alternative would be the cheapest out of the proposed solutions since it would be entirely online and can be as easy as redesigning the Medicaid website. Since this policy alternative is cheap and effective, I believe it will be politically feasible and the most reasonable out of the solutions.

The lack of a nationwide standard of care allows each state to define their own budget for mental health resources, which means state can underfund their programs aiding those with mental health issues. The introduction of a nationwide standard that would define a minimum budget for every state is necessary to guarantee every citizen covered by Medicaid has the right to mental health resources despite where they live. This solution would be extremely effective because it directly prohibits states from blocking resources for individuals with Medicaid, which prevents states like Oklahoma from cutting their budget for mental health resources. The cost of this policy alternative would vary by state depending on the amount of funding they already spend on mental health resources. If a state does not offer many resources for mental health issues, the introduction of this policy would be costly for them because they would have to

increase their spending. This alternative could be funded through taxation, but that also creates more political pushback. Although this is an effective solution, it may not be feasible due to pushback from some states and individuals that do not want to dedicate a portion of their resources or funding to mental health services.

Conclusion

In conclusion, despite the growth of awareness surrounding mental health issues in our nation, Medicaid must be expanded to cover mental health resources in an easily accessible manner. The three main issues regarding accessing mental health resources through Medicaid is the prevalence of shortage areas, the lack of information provided by Medicaid regarding the types of services offered, and the absence of a nationwide standard of care. In order to combat shortage areas, the establishment of Certified Community Behavioral Health Clinics is necessary to expand the amount of providers in areas where individuals do not have access to mental health resources. To remedy the lack of information provided by Medicaid, the expansion of telehealth would directly fight this issue by presenting more clear information on the types of services offered by Medicaid for mental health illnesses. Lastly, the addition of a nationwide standard of care would prevent states from cutting their funding for mental health resources and would establish a national minimum budget dedicated to mental health resources. The most feasible solution would be the expansion of telehealth since it is cheap and efficient. However, the introduction of Certified Community Behavioral Health Clinics would have the largest impact since individuals will physically be able to access a wider range of services for their mental health illnesses.

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