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Rx: Health Care FYI #9

Subject: *Integrated Health Care Saves Money*
From: *Rep. Tim Murphy (PA-18)*

Integrating the diagnosis and treatment of chronic diseases and mental illnesses such as depression is more effective and saves health care costs.

The problem:

- For many individuals with chronic medical illnesses such as asthma, arthritis, heart disease, cancer, and diabetes, the incidence of depression can be **double** that of the general population.¹
- Patients diagnosed with depression have higher rates of chronic medical illness and use health care services more often.²
- Patients with chronic medical illness and untreated depression have higher health care costs in several categories of care (eg. primary care, medical specialty, medical inpatient, pharmacy and laboratory costs) when compared to those with chronic medical illness and treated or no depression.³
- Clinical depression affects about 16 percent of the population at one time or another in their lives.⁴ Unlike normal emotional experiences of sadness, loss, or passing mood states, major depression is persistent, biologically based and can significantly interfere with an individual's thoughts, behavior, mood, activity, and physical health.⁵
- 31 percent of those with diabetes have depressive symptoms.⁶
- Increased psychological stress/depression increases platelet reactivity to thrombosis (blood clotting) complicating the treatment of coronary heart disease.⁷
- Often treatment for mental illness is not given by a mental health professional. Psychiatric medications are prescribed by non-psychiatrists 75 percent of the time. Most frequently by primary care, general and family physicians.⁸

Integrated health care:

- Combines *medical* and *behavioral* health services to coordinate the diagnosis and treatment of the full spectrum of diseases.

¹ Chapman. Daniel. The Vital Link Between Chronic Disease and Depressive Disorders. Centers for Disease Control. Volume 2: No. 1, January 2005.

² Simon GE, VonKorff M, Barlow W. "Health care costs of primary care patients with recognized depression." Archives General Psychiatry. 52(10):850-6. 1995.

³ Simon GE, VonKorff M, Barlow W. "Health care costs of primary care patients with recognized depression." Archives General Psychiatry. 52(10):850-6. 1995.

⁴Bland, R.C. Epidemiology of Affective Disorders: A Review. 1997. *Can J Psychiatry*, 42:367-377

⁵Frank, Ellen. NAMI. About Major Illness. "Major Depression." 2003.

⁶ Anderson, R.J. The Prevalence of Comorbid Depression in Adults With Diabetes. *Diabetes Care* Vol. 24:1069-1078, 2001.

⁷ Markovitz JH and Matthews KA. "Platelets and coronary heart disease: potential psychophysiological mechanisms." Department of Psychiatry, University of Pittsburgh. American Psychosomatic Society. *Psychosomatic Medicine*, Vol 53, Issue 6 643-668. 1991.

⁸ Abboud, Leslie. "More Family Doctors prescribe antipsychotic drugs." *The Wall Street Journal*. March 24, 2004.

A lack of integrated health care increases costs:

- Untreated depression increases health care costs by complicating symptoms and treatments of backpain, diabetes, headache and heart disease annually from \$1,000-\$3,000 per patient⁹
- Untreated depression costs employers more than \$51 billion per year in absenteeism and lost productivity (not including higher medical and pharmaceutical costs).¹⁰

Treatment of depression saves money in the workplace:

- Depression management programs increased productivity by 6.1 percent with a reduction in absenteeism by 28.4 percent or 12.3 days. That additional productivity adds up to an estimated annual value of \$2,601 in savings per depressed full-time employee.¹¹
- When workers with depression receive treatment, medical costs decline by \$882 per employee per year.¹²

The federal government's role:

- The President's New Freedom Commission on Mental Health recommends:
 - Using health technology and telehealth to improve access and coordination of mental health care, especially for Americans in remote areas or in underserved populations; and
 - Develop and implement integrated electronic health records and personal health information systems that prompt physicians to screen for mental illness complications in patients.
- The U.S. Preventive Services Task Force (USPSTF) recommends screening adults for depression in clinical practices that have systems in place to assure accurate diagnosis, effective treatment, and follow-up. Congress budgeted \$20 million for the development of comprehensive State mental health plans to improve the mental health services infrastructure in 2005.
- The President has called for \$125 million in the FY 2006 budget to continue progress in developing health information technology. Information technology can serve as the means to integrate medical and behavioral care to increase health care quality, reduce costs and save lives.
- Offer Medicare and Medicaid reimbursement incentives to physicians and mental health professionals who participate in integrated health information technology networks that demonstrate more effective care and reduced health care costs. Costs are offset by savings from early intervention, prevention and more accurate diagnosis and treatments that reduce medical errors.

⁹ Axelson, Alan. Testimony to the House Government Reform Civil Service Subcommittee. September 13, 2004.

¹⁰ RAND Research Highlights. The Societal Promise for Improving Care for Depression. 2004.

¹¹ Rost, Kathryn, Ph.D., "The Effect of Improving Primary Care Depression Management on Employee Absenteeism and Productivity." Medical Care. Pg. 1202-1210. Volume 42, Number 12, December 2004.

¹² Health Economics. 2004.

Congressman Tim Murphy, a member of the Energy and Commerce Committee, is a psychologist, and holds two Adjunct Associate Professor positions at the University of Pittsburgh (Pediatrics, and Public Health). He is Co-chair of both the Congressional 21st Century Healthcare Caucus and the Congressional Mental Health Caucus.