

Insurance and Utilization Management for Patients with Work Disability

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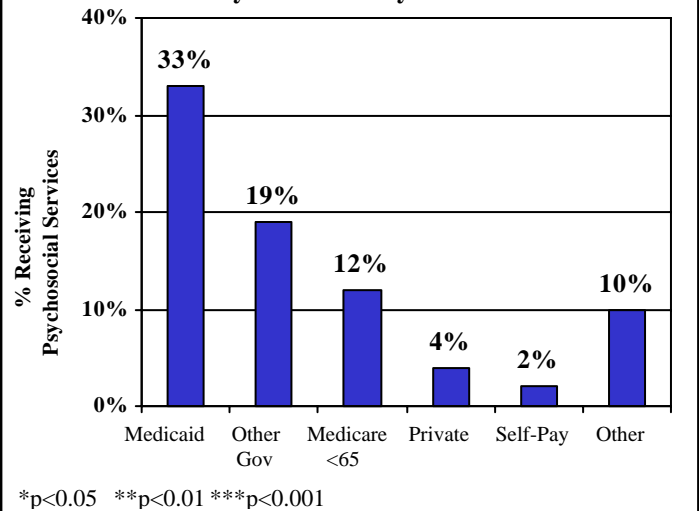
According to the Surgeon General's Report (1999), gaps in insurance coverage and in the organization and financing of services are considered major barriers in service delivery for individuals suffering from mental disorders. Quality of care and access to services among those seeking treatment has been shown to vary by insurance type¹. This report uses the 1999 APIRE PRN Study of Psychiatric Patients and Treatments national data to examine: 1) rates of work disability among psychiatric patients with public, private, or other insurance; and 2) rates of vocational rehabilitation, social skills training, case management or any combination of these services within a 30 day period among public and privately insured work-disabled psychiatric patients. As

recent findings from the APIRE Practice Research Network (PRN) suggest, one-third (n=530) of the 1596 adult patients treated by psychiatrists are currently not working due to a mental or physical disability (as reported by the treating psychiatrist). Ensuring adequate access to vocational rehabilitation and other psychosocial services is of critical importance for this patient population.

Rates of Work-Disability Among Public or Privately Insured Patients

As expected, significantly higher rates of work-disability were observed among patients with Medicare (below age 65), Medicaid, or other government insurance (77%, 69%, and 42% respectively), in contrast to those who paid-out-of-pocket or were privately insured (20%, 17% respectively; $p < 0.001$). Medicare (under age 65) and disabled Medicaid applicants require disability determination, with exceptions including dependent children up to age 23, and various state stipulations. The difference remained even after statistical adjustment for patient demographic, diagnostic and clinical characteristics. ($OR_{\text{Medicare} < 65} = 7.4$ 95% CI= 3.4-16.0, $p < .001$; $OR_{\text{Medicaid}} = 5.3$ 95% CI= 3.0-9.4, $p < .001$).

Figure 1. Percent of Work-Disabled Patients Receiving Psychosocial Services by Source of Payment***



Data Source: The 1999 American Psychiatric Practice Research Network (PRN) Study of Psychiatric Patients and Treatments (SPPT). Results are preliminary and not for citation. In 1999, 615 of 784 (78%) PRN members completed the SPPT.

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Questions? Comments? Or for more information contact: The Practice Research Network Staff, The American Psychiatric Institute for Research and Education, 1000 Wilson Blvd, Suite 1825, Arlington, VA, 22209, Phone: 1-800-713-7123 Fax: 703-907-1087 E-mail: apaprnr@psych.org

Rates of Psychosocial Services Among Public or Privately Insured Work-Disabled Patients

Although rates of psychosocial services (i.e., vocational rehabilitation, social skills training or case management) were low on the whole, (with only 15% of work-disabled patients receiving any of these services), higher rates of the aforementioned services were observed among work-disabled patients covered by government or public insurance (Figure 1). For example, 33% of work-disabled patients with Medicaid, 19% of those with other government insurance, and 12% with Medicare (below age 65) received any of these services, compared to 4% with private insurance and only 1% who paid out-of-pocket ($p < 0.01$). Even after statistical adjustment for patient demographic, diagnostic and clinical characteristics, work-disabled patients with Medicaid, as well as those with other government insurance (e.g., VA, CHAMPUS, other military), were more likely to receive psychosocial services than those with private insurance ($OR_{\text{Medicaid}} = 8.5$ 95% CI= 1.9-38.5, $p < 0.01$; $OR_{\text{Other Government}} = 5.1$ 95% CI= 1.1-24.4, $p < 0.05$).

Does Utilization Management Influences Service Utilization?

We also examined whether provision of psychosocial services was associated with use of utilization management techniques, and/or whether financial considerations (e.g., managed care limitations, patient's resources, or limitations of a public system) affected psychiatrists' ability to provide optimal care; neither variable was found to be associated with provision of psychosocial services. Although source of funding for services was associated with provision of psychosocial services, health plan type was not found to be a factor affecting provision of psychosocial services for work-disabled psychiatric patients.

Variation in Utilization Rates for Vocational Rehabilitation by Insurance Type

Finally, given the overall low rates of vocational rehabilitation among the work-disabled (1.1%), we further examined how rates varied across sources of funding. Alarming low rates of vocational rehabilitation were observed among work-disabled patients covered by Medicaid (2.3%), private insurance (1.9%), other government insurance (1.4%), Medicare (below age 65- 0.5%), and self-pay (0%), particularly given the high rates of work-disability among the publicly insured.

Conclusion

Nearly three out of four patients with Medicaid or government insurance are reported to be work-disabled; however, only one out of every three or four work-disabled patients received any of the studied psychosocial services. Rates of services were even lower for work-disabled patients with Medicare (below age 65 -12%), and considerably lower for those privately insured (4%) or self-pay (1%). Rates of vocational rehabilitation were alarmingly low among work-disabled patients covered by public insurance, where only one out of every 50 work-disabled Medicaid beneficiaries, and less than one out of every 100 Medicare (below age 65) beneficiaries received vocational rehabilitation services. Current health care financing and services delivery policies and interventions, need to address the gaps in insurance coverage and enhance provision of much needed vocational and other psychosocial services for the work-disabled patients. New programs, such as the Ticket to Work funded by the Social Security Administration provide greater flexibility in government insurance coverage for persons returning to work.

¹ West JC, Zarin DA: ***Health Plan Characteristics and Psychiatric Treatment Pattern Variations***. Submitted for publication.