Modern Healthcare

Reform Update: Flood of new patients worries mental health workers

By Virgil Dickson

Posted: August 12, 2014 - 3:45 pm ET

Many behavioral healthcare advocates and providers across the country are reporting significantly increased demand for their services because of the Medicaid expansion in some states. But they are worried about whether underfunded and understaffed mental health centers will be able to adequately serve the flood of new clients.

Officials at Arapahoe/Douglas Mental Health Network and AspenPointe in Colorado say they have noticed an uptick in the number of Medicaid patients they're seeing. Those organizations did not have data on exactly how many more patients they're seeing.

Mindsprings Health in Grand Junction, Colo., saw an increase from about 250 people a month to 350 a month since January, and most of that increase was Medicaid patients, Michelle Hoy, the organization's regional director, told Health News Colorado. Similarly, the Mental Health Center of Denver reported that calls increased from 2,030 in January to 2,156 in March, compared with 1,500 in March of last year.

Mental health advocates in California, Rhode Island, and Oregon also say they're seeing greater demand for behavioral healthcare services by Medicaid enrollees.

Fellowship Health Resources, which runs mental health facilities in several states, has seen increased demand for behavior healthcare and substance abuse services. But CEO Debra Paul said the increase may have nothing to do with the Patient Protection and Affordable Care Act. "The increases are due to both increased awareness of behavior health and substance abuse issues coupled with economic impact such as poor job markets, and difficulty finding affordable housing," she said.

By 2016, 2 million previously uninsured people between the ages of 18 and 64 will receive behavioral healthcare services under ACA, HHS' Substance Abuse and Mental Health Services Administration estimated in May. Of those people, 1.2 million will be Medicaid eligible, and the other 800,000 will have enrolled in an Obamacare exchange plan.

But states have reduced their mental health spending by \$4.35 billion between 2009 and 2012, according to National Association of State Mental Health Program Directors. These cuts could limit access for newly insured people seeking care.

"We are receiving an incredible increase in calls asking for advocacy to help get into mental health treatment," said Chaz Gross, executive director of the Rhode Island chapter of National Alliance on Mental Illness (NAMI). "We used to be able to make that happen in most cases. But now there just are not resources left to direct folks towards."

Chris Bouneff, executive director of NAMI Oregon, said "we are receiving more reports of longer wait times for initial appointments at some of our larger nonprofit mental health providers. Medicaid recipients seeking mental health services have been restricted to small provider panels. And the influx of new members appears to be exacerbating that problem."

Advocates hope that the Affordable Care Act's expanded Medicaid coverage for millions of low-income adults will prompt states to invest more money in mental health services, particularly for prevention and early intervention. This, they say, will save money down the line.

There also are concerns about a shortage of qualified mental health professionals to care for all the new patients seeking behavioral services as a result of the Affordable Care Act. The number of new psychiatrists entering the market continues to drop. Between 2000 and 2008, there was a 14% decline in graduates from psychiatry training programs, according to a Health Affairs article this month. On top of that, more than half of all psychiatrists are now 55 or older.

A side effect of the shortage of mental health providers is that many patients are seeking care for mental health issues from their primary-care providers. More than a third of patients who receive treatment for mental health disorders rely solely on primary-care physicians, according to a 2010 report from the Center for American Progress.

That brings its own problems. Patients "are prescribed drugs but are not getting psychotherapy," said Ron Manderscheid, executive director of the National Association of County Behavioral Health and Developmental Disability Directors.

The services patients receive through their primary-care providers are generally adequate because most of these patients are dealing with relatively minor conditions, he said. But advocates worry about whether the training of staffers in mental health centers is adequate.

"It is not unusual for mental health organizations to employ case managers with no more than a bachelor of arts degree, and sometimes less, and give them responsibilities for some of the most impaired patients," David Mechanic, a Rutgers University health policy professor, wrote in the Health Affairs article. "If the United States is to truly move toward a safer and more effective and responsive system, it will be necessary to remake the behavioral health workforce; to train for more standardized evidence-based practices."

Medicaid enrollment declines in Missouri

More people left Medicaid in Missouri in the past year than in any other state, according to HHS.

The Medicaid rolls in that state, which did not expand the program under the Affordable Care Act, had 37,260 fewer people in June compared with average monthly enrollment from July through September of last year. That was the largest numerical decrease of any state, HHS reported.

Missouri, Nebraska, Alabama and Wyoming were the only states that reported enrollment declines during that period. None of these states expanded Medicaid.

Meanwhile, Georgia's Medicaid and PeachCare enrollment jumped 16% since last October—the highest percentage increase among states that have rejected the expansion of Medicaid under the Affordable Care Act. Georgia also did not expand Medicaid.

S.C. reviews Medicaid applications

South Carolina's Department of Health and Human Services now has reviewed more than 60% of the 38,000 Medicaid applications the federal government began transferring in mid-February as of Aug. 1.

The agency expects to be caught up within a couple of weeks, according to deputy director John Supra. Six temporary employees hired since July 1 are helping with the paperwork, and employees are working overtime to determine applicants' eligibility.

Of the decisions made so far, 56% of the people whose files have been received have been found eligible for the state's Medicaid program, which has limited eligibility because South Carolina did not expand Medicaid.

The state's delay in determining eligibility is partly due to the fact that about 15,000, or nearly 40%, of the transferred applications are seeking coverage due to a disability or for long-term care. That's double the 20% of applicants who sought such coverage through state applications submitted over the 2013-14 fiscal year, according to the agency.