

# 2023 NCHA Legislative Brief Behavioral Health

Everyone deserves access to high-quality healthcare, which includes behavioral healthcare.



North Carolina hospitals and health systems support policies that improve access regardless of insurance status and address the root causes of inequality for behavioral health patients, including:

- Fully fund all existing in-patient facilities, including the 3-way bed program for uninsured patients,
- Allocate federal dollars from the American Rescue Plan to provide expanded access to community-based behavioral health services, with an emphasis on early intervention and treatment, and
- Greater state enforcement of federal behavioral health parity laws that require insurers to cover behavioral health services on par as other covered health benefits, including robust provider networks and equitable reimbursement formulas for cash-strapped providers.

#### **Context & Insights**

North Carolina's behavioral health system needs reform to adequately serve the increasing number of patients struggling with mental illness. As of 2021, 35% of adults in North Carolina reported symptoms of anxiety or depression, a higher number than the national average of 31.6%.<sup>1</sup> North Carolinians also suffer from substance use disorder at a higher rate than their national counterparts, with drug overdoses in the state doubling from 15.7 per 100,000 in 2015 to 31.3 per 100,000 in 2020. These significant numbers mean that mental illness and substance use disorders are common, though accessing treatment is confusing, complex, and for some, expensive.

Without comprehensive community-based treatment to provide necessary medical care for these oftenstigmatized chronic illnesses, North Carolinians in crisis often turn to hospital emergency departments as a last resort, making for a crisis-based system that forces police officers and hospitals to be the first line of triage.

Once in the ED, patients wait — sometimes weeks or months — as they compete for the scarce number of psychiatric and substance abuse beds where they can receive the specialized treatment they need. Oftentimes, this cycle is repeated due to a lack of accessible, high-quality, behavioral health outpatient providers.

North Carolina's hospitals and health systems work to care for all who need help, but often the emergency room is not the right setting of care. The ED boarding crisis of psychiatric patients serves as a highly visible symptom of the drivers of inequity for behavioral health patients. NCHA remains committed to rapidly responding to the acute symptoms of the crisis – providing immediate relief to patients and providers – while also strategically addressing the fundamental drivers within the system that perpetuate an unequal system of care. Unfortunately, delayed care and negative treatment outcomes will continue to be the norm until we change the way behavioral health care is delivered in North Carolina. In 2016, NCHA assembled the Behavioral Health Workgroup, a multi-stakeholder group of statewide behavioral health organizations and leaders to address the fundamental drivers of ED boarding. In 2018, the Workgroup and NCHA crafted changes to the involuntary commitment process in North Carolina, bringing this statute in line with clinical best practices. **Senate Bill 630**, a NCHA led bill with Workgroup input, was one of the most comprehensive pieces of behavioral health legislation to pass the NC General Assembly in the past decade.

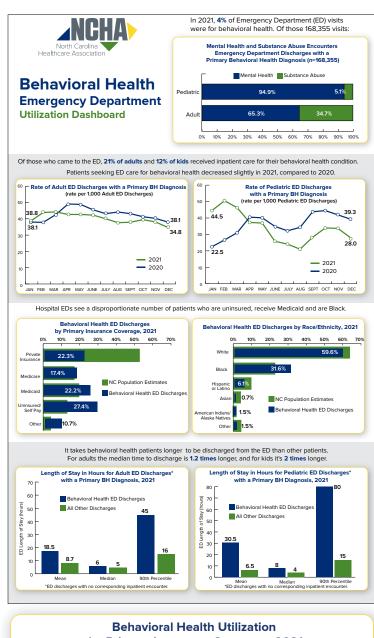
As NCHA builds on the momentum of Senate Bill 630, we believe in a parallel strategy of addressing both the shortterm challenges faced by patients and providers and longterm drivers that keep those inequities in place. NCHA believes in a healthcare system that has high-quality care that is accessible for all North Carolinians; This includes behavioral healthcare, and North Carolinians deserve so much more than they are getting from our current system.

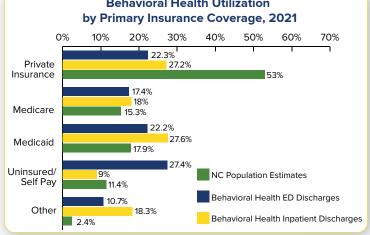
#### Key Advocacy Messages

The current behavioral health crisis in our state is putting an increased burden on hospital emergency departments, the most expensive places for care, and the least effective for treatment of behavioral health patients. (See dashboard graphic right).

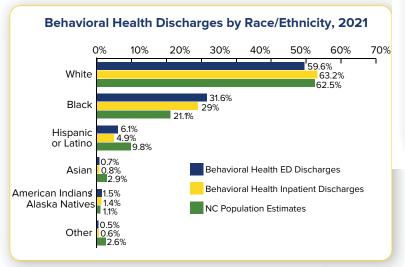
## Behavioral health care remains relatively inaccessible and unaffordable for many, leaving patients without the care they need.

- For SFY 2021, the average wait time to get into one of the three state psychiatric hospitals was 194 hours (over eight days), an increase of three days from FY 2020.<sup>2</sup>
- Most recent data show only 45% of adults and 51% of youth with a mental health condition received treatment. These percentages are even lower for patients who are non-White, indicating further health inequities between White and non-White patients with a behavioral health condition.<sup>3</sup>
- In 2019, a little over half of all NC adult Medicaid beneficiaries received 30-day follow up services after a hospitalization for mental illness.<sup>4</sup>
- Behavioral health care in North Carolina is particularly inaccessible for those who lack health insurance.



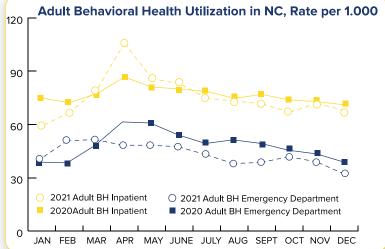


Despite making up less than a fifth of the state population, uninsured individuals made up over a quarter of behavioral health-related ED discharges in 2021. Medicaid recipients also made up a disproportionate amount of both ED and inpatient discharges (See graph above).  Black North Carolinians also face steep disparities in comparison to their White counterparts, constituting a disproportionate third of all ED and inpatient discharges for behavioral health-related conditions in 2021 (See graph below).



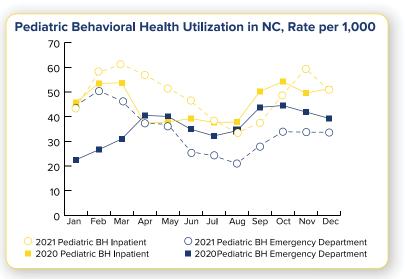
### Now is the time for investment in our behavioral healthcare system as the coronavirus pandemic (COVID-19) has brought a surge of behavioral health patients.

- Although overall utilization declined in NC during COVID-19, the proportion of discharges related to behavioral health has increased<sup>5</sup>
- From 2019-2022, there was a 35% increase in opioid overdose ED visits across the state. Rural communities and individuals between the ages of 25-44 saw disproportionately higher opioid overdose ED visit rates as of November 2022.<sup>6</sup>
- In a national survey, 53% of adults report a negative impact of COVID-19 on their mental health. This is especially true for women, Black adults, young adults, and those who have had financial impact due to the pandemic.<sup>7</sup>
- Suicide rates have been on the rise since 1999 and after adjusting for age, the suicide rate in the U.S. is the highest it's been since 1941.<sup>8</sup>
- Healthcare workers, who are already vulnerable to mental health challenges due to the nature of their profession, are on the frontlines of the COVID-19 global pandemic. The prolonged COVID-19 response and significant strain on the US health system will undoubtedly have significant mental health impacts on those involved in providing care. Our behavioral health system – especially commercial payers – must be ready to have behavioral health benefits fully accessible when our healthcare heroes need it.



## The current behavioral health system is failing our youngest behavioral health patients, leading to negative patient outcomes.

 During 2020, there was 31% increase in ED visits among youth for mental health-related concerns compared to 2019.<sup>9</sup> These numbers have remained high as of 2021, as is the case with inpatient visits (See graph below).



- Half of all mental health conditions begin by age 14, and 75 percent of mental health conditions develop by age 24, making early engagement and support crucial to improving outcomes and odds of recovery.<sup>3</sup>
- COVID-19 has impacted young people's mental health, as one in five reported a significant negative impact. Among adolescents who use substances or drink alcohol, use has increased.<sup>10</sup>
- Adolescents whose mental illness is not treated rapidly and aggressively tend to fall behind in school, are more likely to drop out of school, heavily influencing their socioeconomic outcomes they reach adulthood.<sup>11</sup>

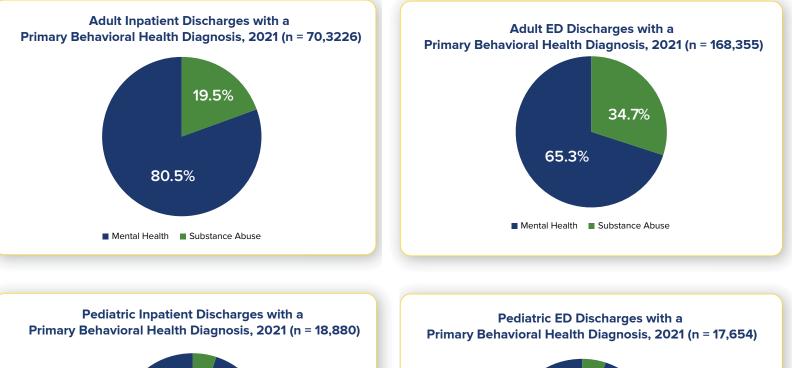
#### The current system of treatment for our behavioral health patients may be exacerbating the current opioid crisis.

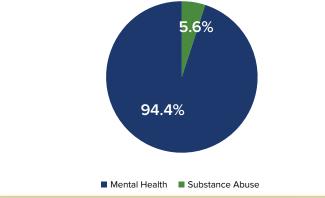
- Recent research indicates that the current opioid crisis is in part due to the lack of mental health treatment for people who are choosing to self-medicate. Data shows that patients with mental health disorders receive half of all opioid prescriptions in the United States.<sup>12</sup>
- Many patients with a primary substance use disorder (SUD) diagnosis have a secondary mental health condition. In 2021, 76% of SUD discharges had a secondary diagnosis for a mental health condition.<sup>5</sup> Conversely, nearly 35% of adult ED discharges and 20% of adult inpatient discharges with a primary behavioral health diagnosis had a secondary SUD diagnosis.

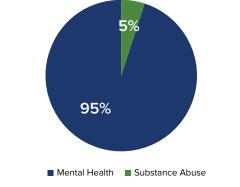
 More than 10 North Carolinians died every day in 2021 from an unintentional opioid overdose amidst an increase in ED drug overdose visits.<sup>13</sup>

#### The current system of treatment for our behavioral health patients is having a negative impact on the economy and quality of life for people in our state.

- Mental illnesses are currently the leading cause of disability, costing the global economy \$1 trillion per year due to lost productivity in the workplace, schools, and homes.<sup>3</sup>
- Depression alone causes employers to lose over \$23 billion each year due to decreased productivity and absenteeism of employees.<sup>11</sup>







Behavioral health illnesses have not been given equal treatment as a legitimate physical health condition that is worthy of prompt, efficient and cost-effective care in North Carolina even though, just like physical illnesses, mental illness can be successfully treated with medication and some form of therapy.

- In North Carolina, primary and specialty providers in physical health receive higher payments than behavioral health providers by 50% and 42% respectively. This may be in an indicator that insurers are not following federal parity laws, which require no less stringent methods be applied to behavioral health benefits than medical/surgical benefits.<sup>14</sup>
- In North Carolina, there was a 9 times higher rate of out of network inpatient facility use for behavioral health conditions verses physical health conditions in 2017, indicating that insurers do not have an adequate provider network for behavioral health treatment. This may be in an indicator that insurers are not following federal parity laws, which require no less stringent methods be applied to behavioral health benefits than medical/surgical benefits.<sup>14</sup>
  - Between 70% 90% of all patients treated with a combination of medication and therapy demonstrate a great reduction of symptoms and improved quality of life.<sup>11</sup>

#### Sources

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- 5. NCHA Patient Data System, 2022.
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- 'North Carolina Opioid Action Plan Data Dashboard,' NC DHHS, accessed January 18, 2023.
- 14. "Addiction and mental health vs. physical health: Analyzing disparities in network use and provider reimbursement rates," research report commissioned by Mental Health Treatment and Research Institute LLC, a not-for-profit subsidiary of The Bowman Family Foundation, December 2017.

Additional links:

NCHA Behavioral Health ED Utilization Dashboard

NCHA Behavioral Health Inpatient Utilization Dashboard



# Questions?

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