North Carolina Healthcare Association

2024 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 by improving insurance coverage and provider networks.

Context & Insights

North Carolina's behavioral health system needs reform to adequately serve the significant number of patients struggling with mental illness. From February 1 to 13, 2023 nearly 25% of adults in North Carolina reported symptoms of anxiety and/or depressive disorders.[1] In 2022, the rate of overdose deaths among North Carolinians was 41.4 per 100,000 residents, an increase of approximately 31% since 2020.[2] 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 often-stigmatized 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 use disorder 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. Through partnering with our members, we believe in a parallel strategy of addressing both the short-term challenges faced by patients and providers and long-term 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.

In October 2023, the NC General Assembly appropriated a historic $835 million dollar investment

to foster a behavioral health system to ensure that North Carolinians have access to the right care when and where they need it.[3] This investment includes funding to strengthen the behavioral health workforce as well as services for the following key areas:

- Medicaid Behavioral Health Reimbursement Rates
- Crisis System
- Justice System
- Child & Family Well-Being

As outlined in a recent report to the Joint Legislative Oversight Committee on Health and Human Services[4], this historic spending will be as follows in Year 1 and Year 2:

Funding Area	FY24	FY25
Medicaid Reimbursement Rates	$165M	$220M
Crisis System	$54M	$77M
Justice System	$29M	$70M
Behavioral Health Workforce	$44M	$71M
Child and Family Well-Being	$20M	$60M

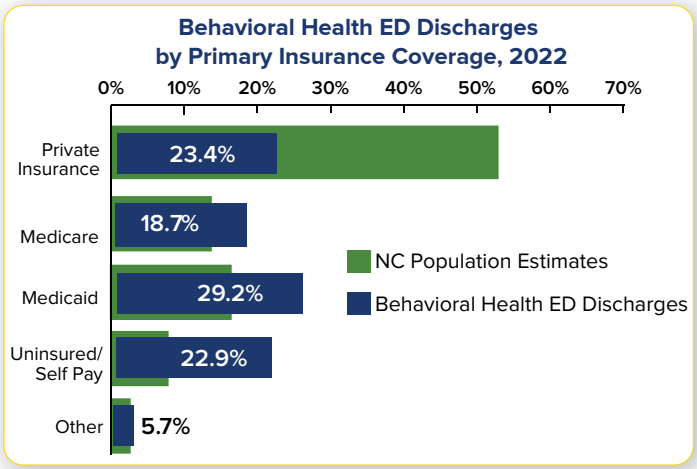
With opportunities ripe to expand upon the services we know are effective and investing in promising models and practices, NCHA has leveraged our behavioral health leaders to have a seat at the table to advise on how to best allocate the funds to alleviate ED boarding.

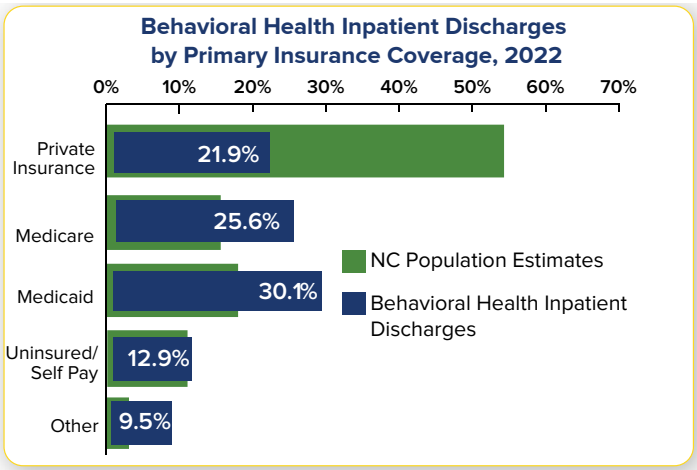
Key Advocacy Messages

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.

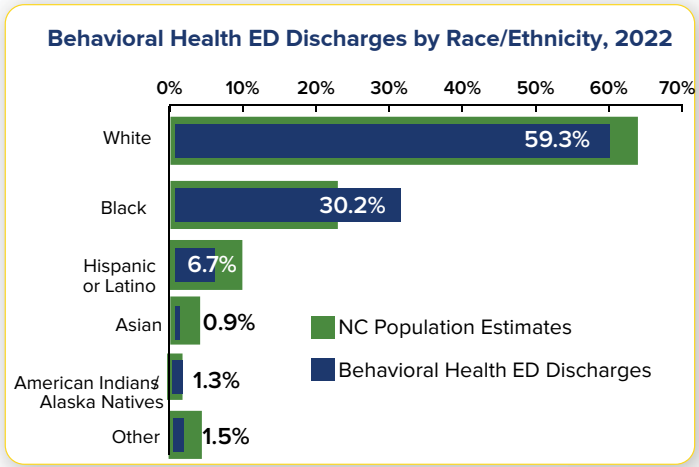
Behavioral health care remains relatively inaccessible and unaffordable for many, leaving patients without the care they need.

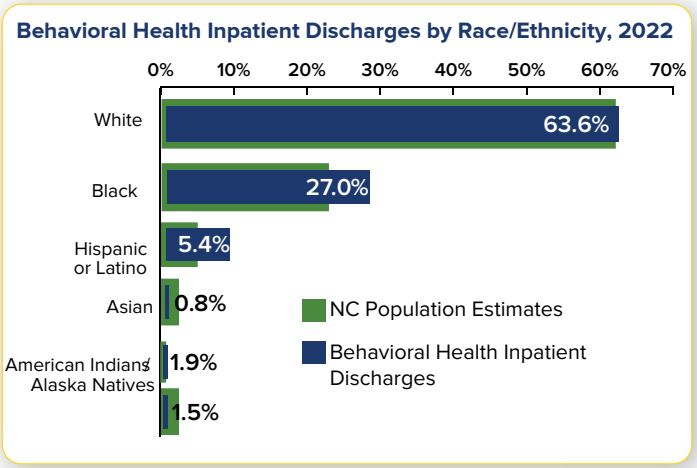
- For SFY 2022 Q1-Q3, the average wait time to get into one of the three state psychiatric hospitals was 285 hours (almost 12 days). [5]
- Data shared by NAMI states only 47% of adults and 51% of youth with a mental health condition receive treatment. These percentages are even lower for patients who are non-White, indicating further health inequities between White and non-White patients with a behavioral health condition.[6]
- Behavioral health care in North Carolina is particularly inaccessible for those who lack health insurance. Despite making up around a tenth of the state population, uninsured individuals made up about 23% of behavioral health-related ED discharges in 2022. Medicaid recipients also made up a disproportionate amount of both ED and inpatient discharges.





- Black North Carolinians also face steep disparities in comparison to their White counterparts, constituting a disproportionate share of all ED and inpatient discharges for behavioral health-related conditions in 2022.





Now is the time for investment in our behavioral healthcare system as as more people need support to address mental health and substance use disorders.

- Although overall utilization declined in NC during COVID-19, the proportion of discharges related to behavioral health has increased.[7]
- From 2019-2023, there was an approximately 43% 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 in the last 12 months according to an April 2024 report. [8]

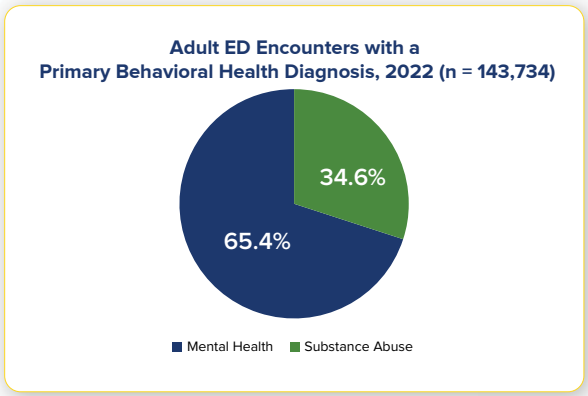
The current behavioral health system is failing our youngest behavioral health patients, leading to negative patient outcomes.

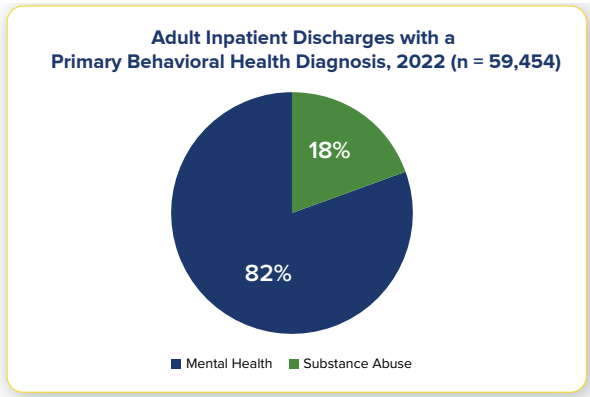
- Half of all mental health conditions begin by age 14, and 75 percent of mental health conditions develop by age 24, making early engagement and support crucial to improving outcomes and odds of recovery.[6]
- Each week over 50 children sleep in Emergency Departments and DSS offices[9], unable to access much needed care.
- Adolescents whose mental illness is not treated rapidly and aggressively tend to fall behind in school, and are more likely to drop out of school, heavily influencing their socioeconomic outcomes they reach adulthood.[11]

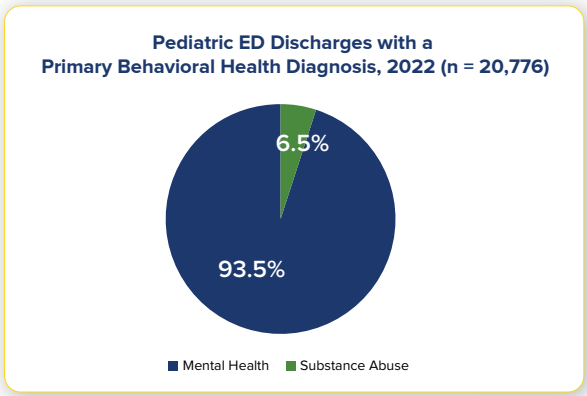
The current system of treatment for behavioral health patients may be exacerbating the current opioid crisis.

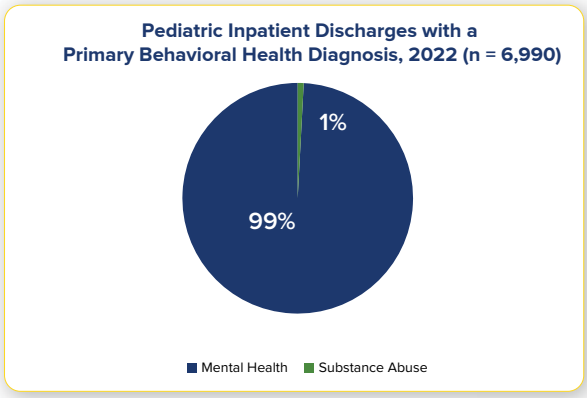
- Recent research indicates that the current opioid crisis is in part due to the lack of mental health treatment for people who are choosing to self-medicate. Patients with mental health disorders receive half of all opioid prescriptions in the United States. [11]

- Many patients receiving care have both substance use and mental health diagnoses. with a primary substance use disorder (SUD) diagnosis have a secondary mental health condition. In 2022, 83% of SUD discharges had a secondary diagnosis for a mental health condition.[7] Nearly 35% of adult ED discharges and 20% of adult inpatient discharges with a primary behavioral health diagnosis had a secondary SUD diagnosis.









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.

- Depression is the leading cause of disability worldwide. Furthermore, depression and anxiety costing. the global economy $1 trillion per year due to lost productivity in the workplace, schools, and homes. [6]
- Depression alone causes employers to lose over $23 billion each year due to decreased productivity and absenteeism of employees. [10]

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.

- Out-of-network use is many times higher for behavioral health treatment than for physical health treatment. This disparity results in decreased access to behavioral health services and increases the financial burden on patients.[12]
  - Nationally, patients went to out of network providers 3.5 times more often for all behavioral health clinician office visits than patients that went out-of-network for all medical/surgical clinician visits.
  - For North Carolina, patients went out-of-network 5.2 times more often for behavioral health office visits than medical/surgical.
- Findings illustrated that behavioral health clinicians were reimbursed lower than medical/surgical health clinicians, potentially disincentivizing behavioral health clinicals from participating in-network according to the study's authors.[12]
  - On average, medical/surgical specialist physicians were reimbursed 25% more than psychiatrists and 29% more than psychologists.
  - Medical/surgical clinicians on average were reimbursed 22% more than behavioral health clinicians.
- Between 70 and 90 percent of all patients treated with a combination of medication and therapy demonstrate a great reduction of symptoms and improved quality of life. [10]

Sources

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Additional Links:

- Behavioral Health Emergency Department Utilization Dashboard. https://www.ncha.org/wp-content/uploads/2024/04/Dashboard_BH_ED_2022.pdf
- Behavioral Health Inpatient Utilization Dashboard. https://www.ncha.org/wp-content/uploads/2024/04/Dashboard_BH_Inpatient_2022-1.pdf

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Contact Nicholle Karim, Vice President of Policy Development, 919-677-4105 or nkarim@ncha.org or Alicia Barfield, Director of Policy Development, 919-677-4106 or abarfield@ncha.org.