



THE KANSAS MENTAL HEALTH SYSTEM: HEALTH REFORM LIKELY TO INCREASE DEMAND

Introduction

Mental health includes a person’s emotional, psychological and social well-being. It affects how someone thinks, feels and acts, and may determine how they handle stress, relate to others and make choices.

Many people experience mental health problems, ranging from mild to severe. The most serious types of mental health problems can include schizophrenia, bipolar disorder or severe depression. A “serious mental illness” is severe enough to cause someone difficulty functioning or performing the activities of daily life.

This brief provides information about how many Kansans experience mental illness, how many receive treatment, and how federal and state policies may affect the mental health system in Kansas.

Kansans with Mental Illness

A survey administered in 2010 and 2011 by the federal Substance Abuse and Mental Health

Services Administration (SAMHSA) found that more than 371,000 (21.6 percent) Kansas adults age 18 to 64 reported experiencing some type of mental illness (based on diagnostic criteria) in the last year. It also found that 5.6 percent of Kansas adults were diagnosed with a serious mental illness which resulted in significant impairment. The Kansas rate for diagnosis of mental illness has remained fairly steady over the past five years and is similar to national rates.

Who Receives Treatment?

Only about half (47.6 percent) of all Kansas adults with mental illness actually received services in a given year, however this is higher than the national rate of 41.0 percent.

Multiple studies have shown higher utilization of mental health services among people who have insurance coverage, including Medicaid, compared to those who are uninsured. In Kansas, the utilization rate for uninsured adults was 11.4 percent, slightly lower than the rate (13.9 percent) for all Kansas adults, as shown in *Figure 1* on page 2.

KEY POINTS

- More than 371,000 (21.6 percent) Kansas adults reported experiencing mental illness in the last year. Less than half (47.6 percent) of them reported receiving treatment.
- The Kansas mental health system could expect an addition of up to 7,700 new patients, as Kansans who were previously uninsured gain access to mental health coverage through the Affordable Care Act (ACA).
- All counties in Kansas, except the five most populous, have a shortage of mental health providers according to the federal government.

The reasons why someone may not receive treatment when they have a mental illness can be complex and multifaceted. Much research has been done about barriers to mental health treatment, such as cost, lack of quality providers and “stigma,” which is a negative connotation that is sometimes associated with mental illness or

seeking treatment for mental illness. National data from SAMHSA shows about 51 percent of adults with an unmet need for mental health services reported cost and a lack of insurance as the biggest reasons for not receiving services.

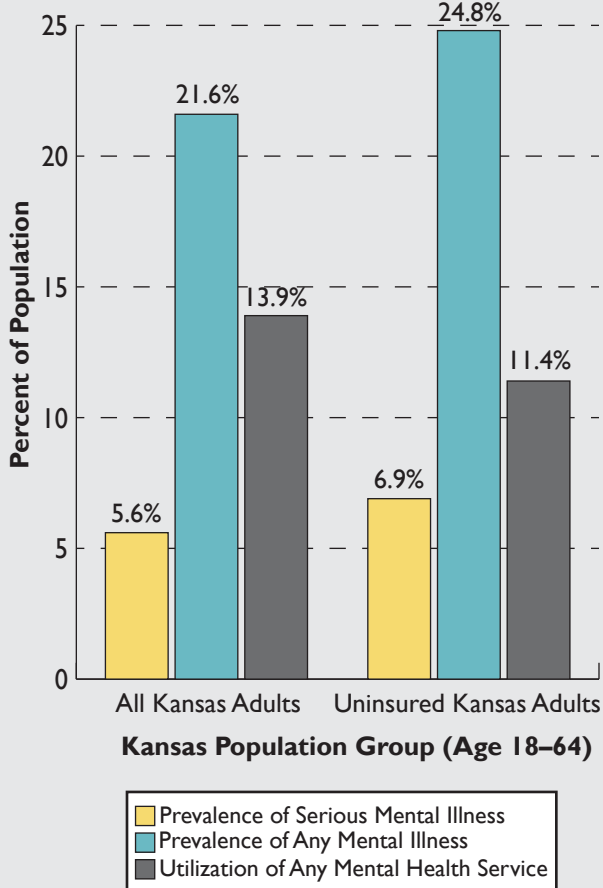
Almost a quarter of adult Kansans in Medicaid (24.7 percent) use mental health services. Adults can qualify for Medicaid if they have a severe and persistent mental illness that causes a significant disability. As a result, the Medicaid program disproportionately serves the sickest and most disabled persons with mental illness. Adult Medicaid enrollees are nearly three times as likely to have a serious mental illness — such as schizophrenia, major depression and bipolar disorder — than all Kansas adults (15.9 percent compared to 5.6 percent).

The ACA and Mental Health Coverage

Provisions within the Affordable Care Act (ACA) may result in an increase in insurance coverage, particularly for people with mental illness. These individuals will no longer be denied coverage due to pre-existing mental health conditions, nor can they be charged higher rates for coverage. Existing federal and Kansas mental health parity laws and new federal requirements within the ACA have enhanced the coverage of mental health services in private insurance plans in recent years, requiring that coverage be equivalent to the coverage provided for physical health services. In addition, the ACA created marketplaces for individuals to purchase private insurance using federal tax credits if they qualify.

Estimates from SAMHSA indicate that increasing insurance coverage through the ACA will increase utilization of mental health services. About 186,000 uninsured Kansans with incomes between 100 percent and 399 percent of the federal poverty level (FPL) are likely eligible for tax credits to purchase private insurance

Figure 1. Prevalence of Mental Illness and Utilization of Mental Health Services Among Kansas Adults Age 18–64, 2010–2011



Notes: Data represent two-year averages from 2010–2011. According to the fourth edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM-IV), **serious mental illness** is defined as having a diagnosable mental, behavioral or emotional disorder, other than a substance use disorder, that resulted in serious functional impairment; **any mental illness** is defined as having any diagnosable serious, moderate or mild mental illness, other than a substance use disorder; **utilization** of any mental health service is defined as the percent of people who used the service; **mental health services** are defined as inpatient care, outpatient care or prescription medication for problems with emotions, nerves or mental health — it does not include treatment for drug or alcohol use.

Source: KHI analysis of data from U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, National Survey on Drug Use and Health, 2010–2011.

through the federal marketplace. In 2011, 16.5 percent of these uninsured Kansans who are likely eligible for tax credits utilized some type of mental health service, including medication. SAMHSA estimates that utilization of mental health services may increase by as much as 25 percent when this group gains insurance coverage. If everyone who was uninsured and eligible for tax credits through the marketplace gained insurance, the mental health system could realize an additional 7,700 patients.

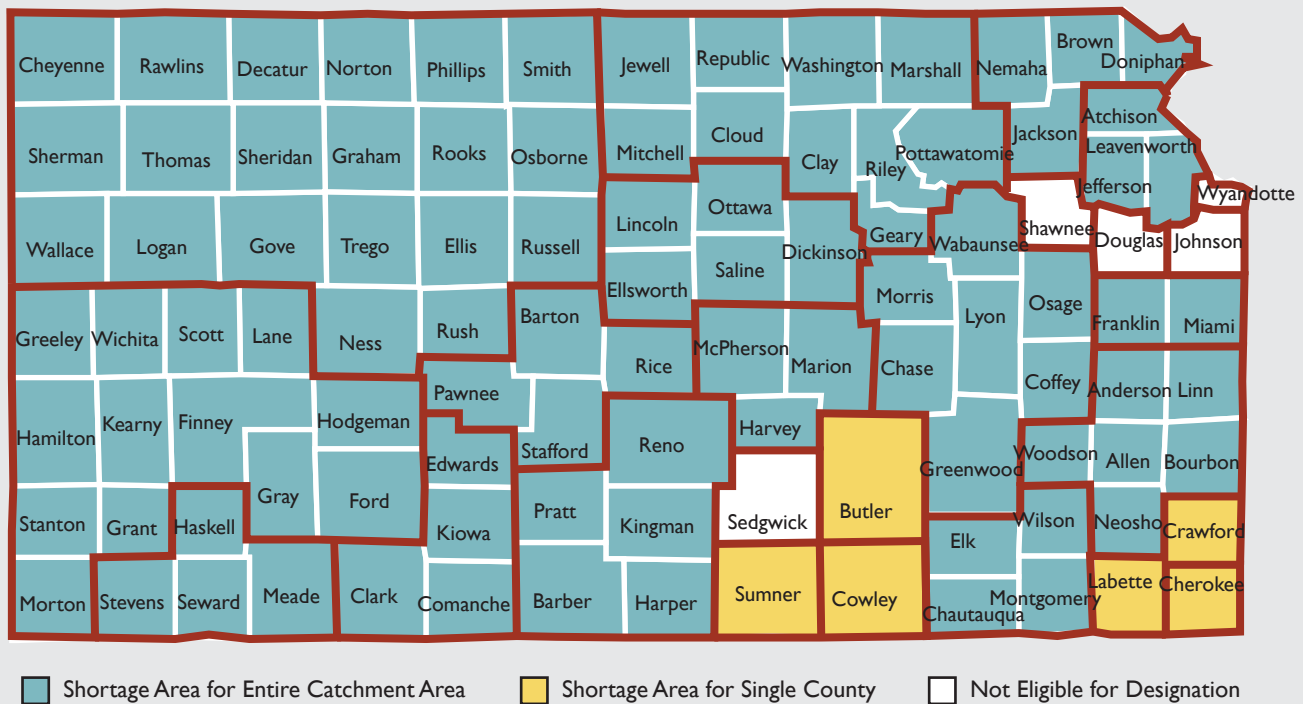
States have the option under the ACA to expand Medicaid eligibility to adults up to 138 percent of FPL, which is about \$32,900 annual income for a family of four. The state of Kansas has decided not to expand Medicaid. The utilization rate for uninsured Kansas adults with

incomes at 138 percent of FPL or less was 10.5 percent, and SAMHSA estimates that this utilization rate would increase to 14 percent if Medicaid was expanded. Even without expansion, Kansas will likely see an increase in enrollment and mental health service utilization as some adults currently eligible for, but not enrolled in, Medicaid decide to enroll due to the individual mandate of the ACA and increased publicity about the law. This enrollment increase is known as the “welcome mat” or “woodwork” effect.

Provider Shortage

With the expectation that more patients will enter the mental health system, questions must be raised about the

Figure 2. Mental Health — Health Professional Shortage Areas (HPSAs) in Kansas, 2014



Note: The Mental Health HPSA designation identifies medically underserved areas for mental health by calculating the ratio of “core” mental health providers to the population. Core mental health providers include psychiatrists, clinical psychologists, clinical social workers, psychiatric nurse specialists and marriage and family therapists. If a county or geographic region does not have a sufficient ratio of providers to the population, it is designated as a Mental Health HPSA. According to the U.S. Department of Health and Human Services, Health Resources and Services Administration, to be designated as a Mental Health HPSA, an area must meet three criteria: it must be a rational service area for the delivery of care; there must be 30,000 or more people per psychiatrist; and mental health professionals in contiguous areas must be over-utilized, excessively distant or inaccessible to residents of the area under consideration.

Source: Kansas Department of Health and Environment, Bureau of Community Health Systems, 2014.

supply of mental health providers in local communities to meet this increased demand.

As shown in *Figure 2* (page 3), nearly all Kansas counties (100 out of 105) have been designated by the federal government as Mental Health – Health Professional Shortage Areas (HPSAs). This means that the ratio of mental health providers to the population is not sufficient according to the criteria established by the federal government. All Kansas counties except Douglas, Johnson, Sedgwick, Shawnee and Wyandotte have been identified as Mental Health HPSAs. There are some parts of those counties that also have the designation. Approximately 47 percent of Kansans live in a county that is, in its entirety, a Mental Health HPSA.

Looking Forward

It will be important to monitor the capacity of the Kansas mental health system as policy changes at the federal and state levels place new demands on it.

Use of the mental health system could increase as new federal requirements within the ACA enhance the coverage of mental health services in some private insurance plans. The ACA also makes it easier for many previously uninsured Kansans to acquire health insurance and to afford mental health care. Because of these

provisions, mental health providers — particularly those who accept private insurance — may experience an increase in demand for services.

It will also be important to monitor state-level policy changes that impact the existing public mental health system. Because some Kansans with mental health needs will remain uninsured, particularly since the state has not expanded Medicaid, funding to community mental health centers that serve the uninsured and underinsured should be monitored.

A recent report from the newly formed Governor’s Mental Health Task Force highlights the need for access to effective services for Kansans with mental illness, such as supported employment and housing, and peer support services. Many of these support services are not covered under traditional insurance and may require state funding. Other state-level initiatives also may impact utilization and capacity of the system such as the governor’s new mental health initiative, which focuses on access to mental health services for the state’s “most at-risk and challenging populations.”

By monitoring the capacity of the state’s mental health system, policymakers can remain informed about how changes in federal and state law impact services available for Kansans with mental illness.

About the Issue Brief

This brief is based on work done by Emily Meissen-Sebelius, M.S.W. It is available online at www.khi.org.

KANSAS HEALTH INSTITUTE

The Kansas Health Institute delivers credible information and research enabling policy leaders to make informed health policy decisions that enhance their effectiveness as champions for a healthier Kansas. The Kansas Health Institute is a nonprofit, nonpartisan health policy and research organization based in Topeka that was established in 1995 with a multiyear grant from the Kansas Health Foundation.

Copyright© Kansas Health Institute 2014. Materials may be reprinted with written permission.

212 SW Eighth Avenue, Suite 300

Topeka, Kansas 66603-3936

Telephone (785) 233-5443

Fax (785) 233-1168

www.khi.org