

# **Increasing Access to Mental Health Care, Improving Quality of Care and Reducing Costs through Prescriptive Authority for Licensed Psychologists with Specialty Training**

**by Jack G. Wiggins, Ph.D., Psy.D.**

## **Summary**

Granting prescriptive authority to Licensed Psychologists with advanced training in psychopharmacology can help overcome the mental health treatment crisis in Arizona due to a shortage of prescribing mental health specialists.

There are over twice as many Licensed Psychologists as prescribing mental health specialists. These Psychologists are better distributed through out the state especially in rural areas, whereas 90% of prescribing mental health specialists practice in Phoenix, Tucson or Flagstaff. Even in these urban areas it may take weeks to arrange for an appointment with a prescribing mental health specialist. Mental crises are often handled in emergency rooms of hospitals and by hospitalization rather than by prompt treatment by a mental health specialist. Granting prescriptive authority to Licensed Psychologists would permit the State to switch to a best practices model of mental health treatments which efficiently integrate psychotherapy and pharmacotherapy. Usual medical care for the treatment of depression provides antidepressant medication but minimal counseling. Psychologists are experts in the combined treatments of cognitive behavioral care and the management of psychotropic medications. Granting prescriptive authority to Licensed Psychologists especially trained in psychopharmacology can potentially save the State of Arizona \$2.2 Million in the first year of enactment. These potential savings can be achieved by: (1) reducing costs paid for usage of psychotropic medications, (2) reducing the incidence of first admissions to mental wards of hospitals, (3) reducing relapse rates in mental conditions, and (4) reducing the cost of treatments.

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There is a mental health crisis in the state of Arizona, as well as a budgetary crisis. Public health is being jeopardized by shortages of certain types of mental health services which are creating costly delays in treatment in rural areas and for minority populations. Passage of Proposition 204 provided funds necessary to settle the Arnold v. Sarn and Jason K. suits. This made 180,000 new people eligible for **AHCCCS<sup>1</sup> (Arizona Medicaid Program)** services. This has resulted in and increased demand for mental health and substance abuse services which is now impacting on the strained state budget. The Arizona Psychological Association has developed a plan to address

both this public health crisis and financial crisis to pay for these health services required by the public referendum.

The greatest shortage as well as the greatest cost of providing mental health services are those of a qualified mental health professional treating with both psychotherapy and psychopharmacology. Significant cost savings can be obtained using "full service" professionals to provide this type of care over the split treatment model where one doctor prescribes the medication and another manages the patient's care with psychotherapy. This reduces the costs of extra consultations with doctors. It prevents costly delays in prompt treatment due to having to schedule an extra doctor appointment. Full service professional care is an added convenience to the patient by reducing doctor visits and taking time from work. Scheduling of appointments is a major problem in the current AHCCCS system in rural Arizona.

Psychology is proposing to enhance the quality of mental health services and expand access to care by integrating cognitive behavioral therapy with psychopharmacology. This is known as the "best practices" model of mental health treatment since it combines the two forms of treatment demonstrated to be effective. The prevalent practice model, known as "usual care," typically provides psychotropic medication separately and perhaps psychotherapy but by different doctors. By using this best practices model of integrating cognitive behavioral therapy with psychopharmacology, it is possible to reduce the overall costs of the mental health services to the state at the same time. To facilitate this safe cost-effective approach, prescriptive authority is requested for licensed psychologists with postdoctoral specialty training in psychopharmacology. The University of Phoenix will offer an extensive postdoctoral specialty training program of 300 didactic hours in psychopharmacology. This advanced psychopharmacology program will emphasize training of licensed psychologists in rural areas and from special populations. The cost of training will be borne by the licensed psychologists who voluntarily seek this specialty training in psychopharmacology.

### Access to Quality Care

Psychology is the largest doctoral level mental health profession that provides direct patient care to all populations, including those located in the rural areas of the state where there is an acute scarcity of health care professionals. There are nearly three times the number of licensed psychologists as board certified psychiatrists in the State of Arizona.

Training in psychopharmacology of psychologists in rural areas and from special populations can help overcome shortages of mental health specialty services in rural areas and for special populations. Greater access to quality mental health care provided by qualified mental health specialists reduces suffering and relapse which tends to reduce costs of care as well. Community based services and avoidance of costly inpatient care and the demoralizing effects of losing one's civil rights and the dehumanizing experience of hospital confinement in a mental ward.

Combined treatment with psychotherapy and psychopharmacology is being supplied by some psychiatrists, advanced nurse practitioners, physician assistant practitioners and non-psychiatric physicians consulting with psychologists. Even the resources of these professions are insufficient to meet the growing demand for mental health care requiring the use of the integrated psychotherapy/pharmacotherapy model of care. The shortages are the result of an inadequate supply and maldistribution of mental health specialists in rural areas. Much of psychiatric time is committed to administrative services making their medical skills unavailable for direct patient services. Some psychiatrists restrict their practices to medication management. The specialized skills of cognitive behavioral treatments are not broadly available in other medically trained professions. The most efficient way to expand the needed personnel is to authorize licensed psychologists with advanced training in psychopharmacology to prescribe since they are currently treating patients with cognitive behavioral methods and simultaneously managing the psychotropic medications of those patients.

#### Quality of Care:

Meredith et al (1996) found that less than half of depressed patients in the general medical sector received as much as 3 minutes of counseling. Sturm and Wells that increasing counseling, use of appropriate antidepressant medications or avoidance of regular tranquilizer use improves functioning outcomes. This model provides "added value" to health care over usual to current practice patterns. Similarly, Katon *et al.* (1995) and Thase *et al.* (1997) reported combined psychotherapy and pharmacotherapy were significantly more effective for severe recurrent depressions but had no advantage over psychotherapy alone for milder depressions.

#### Cost Savings:

Psychologists specially trained in psychopharmacology improve access to best practices mental health services and can reduce costs if authorized to prescribe. This year the state spent \$60 Million on psychotropic medications. Wiggins and Cummings (1998) studied 1 million mental health episodes treatment by psychologists who also managed the psychotropic medications of their patients. Medication usage was reduced from 68% at presentation to 22% during active treatment with only 13% on a maintenance dosage of medication at termination. Psychologists treating with both psychopharmacology and cognitive behavioral therapy saved up to 2/3s of the cost of psychotropic medications. This would project a potential cost saving of \$39 Million to the state.

McCombs *et al.* (1990) reported the cost of antidepressant drug therapy failure increased the cost to the California Medicaid program \$1043 in the first post-episode year. The state of Arizona is spending \$117 Million currently on the cost of psychiatric hospital and residential based treatment. There is a 15% relapse rate with 30 days of discharge from these facilities. Although AHCCCS data is limited in utility beyond this brief period, the reports by Paykel *et al.* (1995), Coley *et al.* (1999) indicate an increase up to 40% in relapse rate within 1 year of patients administered psychotropics and

routine medical care. Fava *et al.* (1994, 1996) found relapse rates increased to an 70% rate over a 4 year period. Integrating cognitive behavioral care with psychopharmacology can reduce inpatient relapse rates by 1/3 to 1/2 ( Fava 1996, 1998). With AHCCCS inpatient service costs at \$39 Million annually this would be a projected savings of \$13 Million or more. These figures exclude the cost of Arizona State Hospital and other residential treatment costs.

Prompt access to mental health care could save up to 32% of the cost of initial hospitalizations according to Smith, Rost and Kashner (1995). The prompt cost-effective consultations by psychologists also trained in psychopharmacology avoided 85% of the hospitalizations of Medicaid patients (Pallak and Cummings, 1992). Arizona community based hospitalizations cost AHCCCS \$12 Million this last year. Using a combined rate of 60% reduction in first admissions to a psychiatric facilities would be a projected cost savings of \$7.2 Million.

Psychologists who can prescribe can reduce the added costs of cost and inconvenience of having to schedule an extra appointment for a prescription for psychotropic medication Savings in added visits by eliminating at least one extra consultation for psychotropic medications are estimated at \$1.8 Million. Savings in salaries of psychologists compared to those of psychiatrists are estimated at \$ 0.7 Million .

There may be addition cost savings the AHCCCS system by reducing avoidable health care cost of treatment of mental conditions masquerading as physical symptoms. Cummings and Follette (1968) found that the substantial savings in these added costs of mental conditions being treated with routine medical care. They found the savings in medical usage costs were greater than the costs of mental treatment and labeled this residual saving the "medical cost-offset." This medical cost-offset factor could double the amount of savings by reducing avoidable medical costs to AHCCCS. Henk *et al.* (1996) studying medical utilization data for sample of 50,000 health maintenance subscribers found that high use of medical services was associated with depression resulting \$1498 higher medical costs. Only a small portion of these higher medical costs was spent on treatment of depression in comparison to the total medical use costs.

Adding psychologists to the mix of professions prescribing psychotropic medications can also reduce to the inflationary pressure of salaries due to shortages of mental health specialists who prescribe.

Professional estimates indicate there are unmet needs for psychiatrists in Arizona that cannot be filled due to a national shortage in psychiatry. Approximately, 44% of psychiatrists in training have to be recruited and from graduates of international medical schools. Psychiatric residency training in recent years has emphasized psychopharmacology rather than psychotherapy. Physicians in psychiatric training in Arizona will replace rather than adding to the current supply.

Unfortunately, all of the savings cited cannot be realized simply by filling existing vacancies with psychologists who have special training in psychopharmacology and

allowing them to prescribe. It is estimated of the 1000+ psychologists who have undergone this special training in psychopharmacology only 10-15 could be recruited during the first year. This would supplement the 12 or so licensed psychologists in Arizona who have the training or will complete it within the next year. It is assumed for cost comparisons that 25 licensed psychologists qualified to prescribe would be available during the first year.

**Appendix 1** compares of the cost estimates of the "value-added" of the best practices model of integrating psychotherapy with psychopharmacology and supplied by psychologists prescribing psychotropic medications with "usual mental health" care. An average of 10 individual cognitive behavioral sessions is assumed . Usual mental health care consists of the prescription of psychotropic medication by a physician rather than a mental health professional and then quarterly follow up visits for medication checks. Savings due to reductions in the use of medications, use of hospitalization, lower relapse rates and salary rates are assumed to be independent of one another and these effects combined would be cumulative. It is assumed that two groups, each of 25 professionals, would provide one of these two types of care and each professional would work 1500 hours per year at current rates of pay. This would result in two samples of 4588 patients each. The group receiving usual mental care would cost over \$7.6 Million. The group treated by psychologists who could prescribe would cost less than \$5.4 Million for a savings of \$2.2 Million. The difference in cost per patient would be \$492.84 less for a psychologist who prescribes than for usual care. This projected per episode savings of prescribing psychologists represents a saving of 30% over the \$1664 per episode costs of current care practices. This would allow these 25 prescribing psychologists to treat an additional 4475 patients with this value-added care for the same costs usual care is now providing. These figures do not assume any potential savings from the medical cost-offset factor. As previously stated medical cost-offset benefits could double these projected savings.

To increase access to mental health care and reduce costs of this care, it is urged that legislation be developed authorizing licensed psychologists, specifically trained in psychopharmacology, to prescribe psychoactive medications for mental , emotional disorders and cognitive impairments. It is believed that enactment of this legislation would improve both access to quality mental health care and reduce the cost of care of the mentally ill in Arizona as well.

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**Author's note:** Arizona Health Care Cost Containment System (AHCCCS) is a state operated managed care Medicaid plan. It was one of the first efforts to provide Medicaid services through a managed health care system. It is not an indemnity or fee for service plan. This document was written to reflect implementation in Arizona.