Money Matters: High Co-pays Drive People Out of Mental Health Care

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A Brown University study reveals that high co-payments for mental health services cause people to go without the care they need. Amal Trivedi, MD, and Vincent Mor, MD, both professors at Brown in Providence and the lead authors of the study, were interested in exploring why so many people diagnosed with a mental illness don't seek follow-up care.

Trivedi and Mor found that if people's out-of-pocket costs for mental health are brought down to the same level as their out-of-pocket costs for primary health care, they will seek out mental health care. Not only will lower co-pays increase the likelihood that people will seek out the care they need, according to the authors, but overall healthcare costs will also drop and quality of care will improve if policymakers and insurers adopt the practice.

"This has been one of the most hotly debated topics in health policy over the last decade," Trivedi said in the press release. "What we found is that health plans that have equivalent benefits for mental health and primary care have markedly higher rates of appropriate mental health service use."

Trivedi and Mor's paper, which was published December 24 in *The Journal of the American Medical Association* (JAMA), runs counter to previous research showing that parity between primary health costs and mental health costs had only a small effect on the use of mental health services.

"When plans drop parity, when they make mental health services more expensive for enrollees, the use of appropriate care falls dramatically," Trivedi explains. "People are much more price-sensitive to mental health services than what we found for other health services such as mammograms."

The authors looked at outpatient mental health and general health medical services in nearly 44,000 patients in Medicare health plans between 2001 and 2006. They found that when out-of-pocket costs for mental health were higher than for primary health care, the number of people who sought follow-up care after a psychiatric hospitalization dropped by 8 percent. The drop in follow-up care was particularly dramatic among people with low incomes or education levels.

Trivedi and Mor's findings come at a critical moment as the nation debates whether to reform the health care system.

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