
Comparing Managed Care and Traditional Insurance Programs

Michael L. Raulin
SUNY at Buffalo

Acknowledgments

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 - Mary Lee Campbell-Wisely; Connie Otteni; Paul Thomas
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Managed Care

◆ The Premise and Promise

The Managed Care Product

- ◆ Unsubstantiated Claims on Both Sides
 - Saves money and improves services
 - Blocks access to needed treatment, destroying people's lives in the process

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- ◆ Managed Care is Now Widely Used
- ◆ Question: Does Managed Care Affect
 - (1) Treatment outcome and
 - (2) Cost of treatment?

Impetus Behind Managed Care

- ◆ Rapidly Escalating Mental Health Care Costs
- ◆ Increasingly Fragmented Service Delivery System
 - Often without anyone taking responsibility for coordinating services
- ◆ Competition Among Insurance Carriers
 - A better product for less money

Managed Care

- ◆ The Premise and Promise
- ◆ **Design Considerations**

Overview of the Design

- ◆ Measure symptom level and satisfaction
- ◆ Two pairs of samples, matched as closely as possible
 - Prospective Samples (followed for 6 months)
 - Retrospective Samples (tested once)
- ◆ Focus on diagnoses that could be costly (hospitalization or long-term care possible)
- ◆ All assessment blind to insurance coverage

Dependent Measures

- ◆ A subset of items (N=63) from the Symptom Checklist {SCL-90}
- ◆ Anxiety, Depression, and Vigor Scales of the Profile of Mood States {POMS}
- ◆ Four single-item satisfaction ratings
- ◆ Selected portions of the SCID Interview to verify diagnosis

Managed Care

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- ◆ **Sample Selection**

Subject Selection

- ◆ Essentially Stratified Random Samples:
 - » Traditional and Managed Care Health Plans
 - » Matched on (1) age, (2) sex, (3) severity of diagnosis, (4) limits of insurance coverage, and (5) pool of service providers
- ◆ Diagnoses:
 - » schizophrenia, bipolar disorder, major depression, delusional disorder, brief reactive psychosis, panic disorder, OCD, and severe dissociative disorders

Subject Selection Procedures

- ◆ Selection Procedures
 - Selected Managed Care Patients
 - Selected Traditional Insurance Controls (roughly same age, gender, and severity)
 - No match attempted on specific providers
- ◆ Offered monetary incentives (\$30/hour) for participation

Subjects

◆ Traditional

– Prospective Sample

- » N = 24
8 Males; 16 Females
Mean Age = 41.6

– Retrospective Sample

- » N = 32
9 Males; 22 Females
Mean Age = 45.6

◆ Managed Care

– Prospective Sample

- » N = 37
9 Males; 28 Females
Mean Age = 37.5

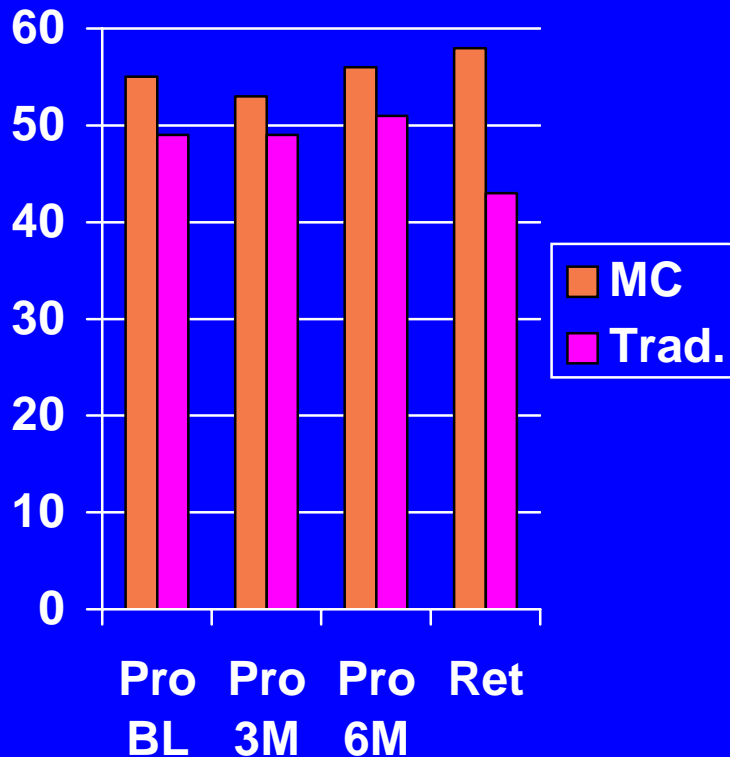
– Retrospective Sample

- » N = 52
9 Males; 43 Females
Mean Age = 41.0

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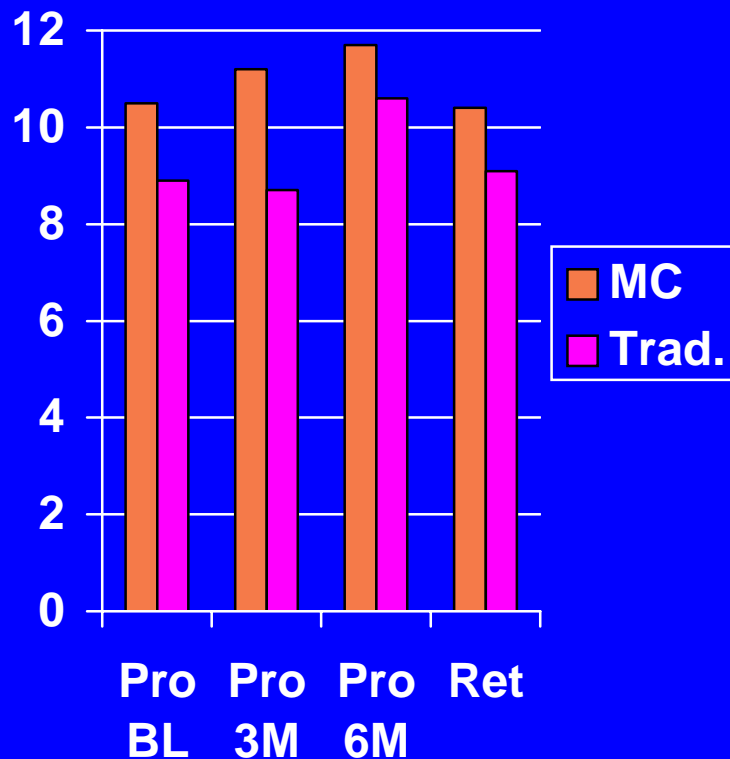
- ◆ The Premise and Promise
- ◆ Design Considerations
- ◆ Sample Selection
- ◆ **Results**

SCL-90 Total Score



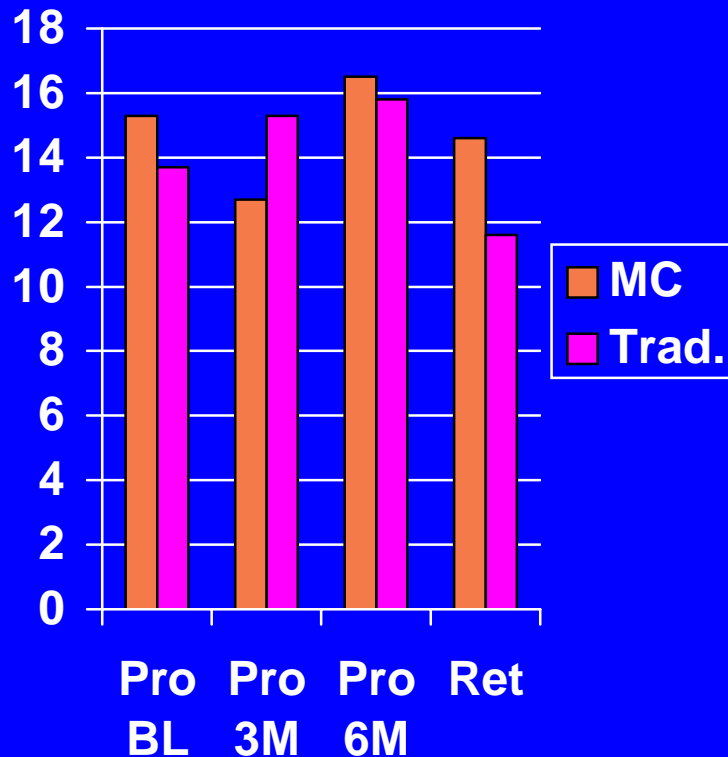
- ◆ All differences are short of significance
- ◆ No change over time in prospective samples
- ◆ Conclusion: No difference on general symptomatology level
- ◆ Also, no SCL-90 subtest differences between the groups

POMS (Anxiety)



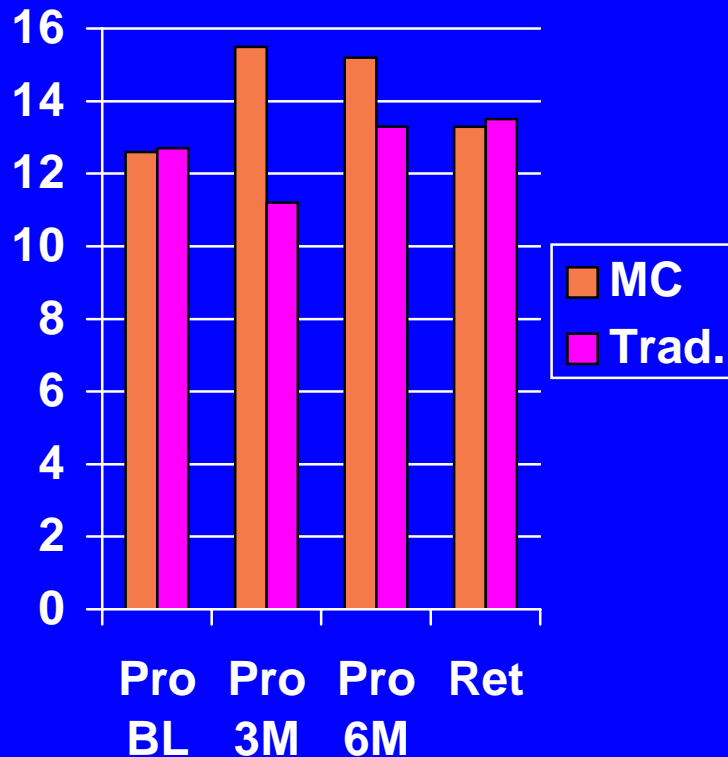
- ◆ All differences are short of significance
- ◆ No change over time in prospective samples
- ◆ Conclusion: No difference in anxiety level

POMS (Depression)



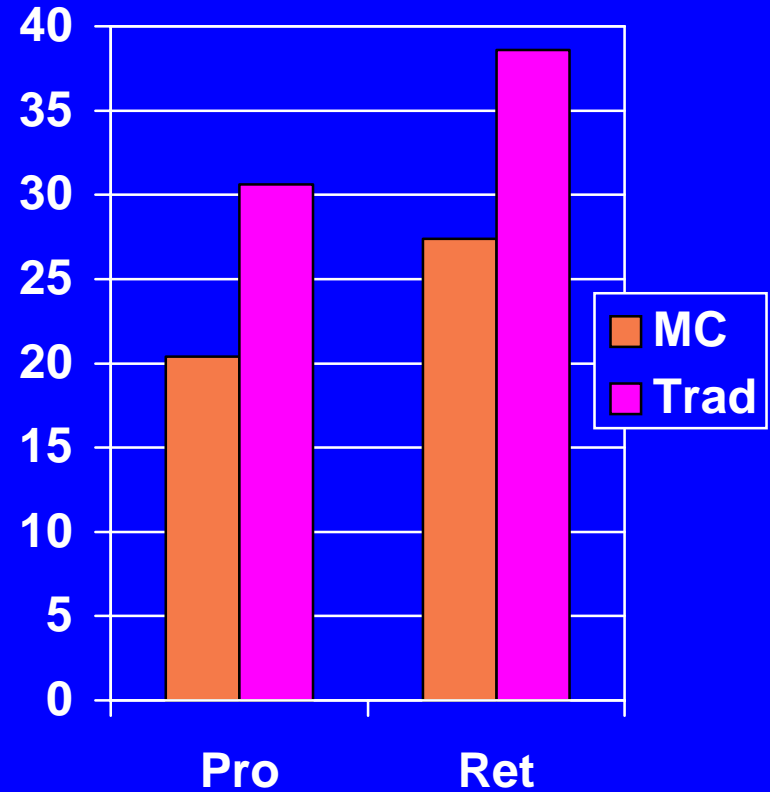
- ◆ All differences are short of significance
- ◆ No change over time in prospective samples
- ◆ Conclusion: No difference in depression level

POMS (Vigor)



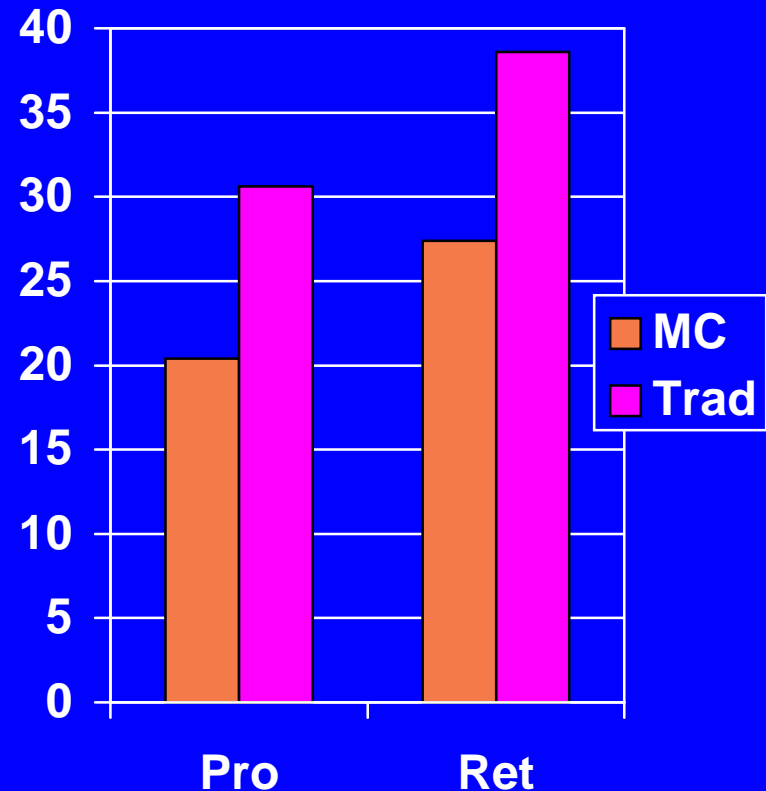
- ◆ Significant difference ($p=.03$) at 3 months (greater vigor in managed care group)
- ◆ No change over time in prospective samples
- ◆ Conclusion: Possible advantage for managed care in vigor

Cost Data: Mental Health



Cost Data: Medical

- ◆ Is there any evidence for a shift of costs from mental health services to general medical services?



Satisfaction Survey

- ◆ Satisfaction with
 - Quality of Care
 - Promptness of Service
 - Insurance Coverage
 - Claims Handling
- ◆ Only Two (12%) Significant Differences
 - In opposite directions (likely due to chance)

Managed Care

- ◆ The Premise and Promise
- ◆ Design Considerations
- ◆ Sample Selection
- ◆ Results
- ◆ **Interpreting the Findings**

Conclusions

- ◆ No Differences Between Managed Care and Traditional Health Insurance Products
 - In either clinical outcome or patient satisfaction
- ◆ Cost Data HERE
- ◆ Medical Cost Data HERE
- ◆ Little Evidence for Symptom Reduction in Either Group Over Time

Caveats and Disclaimers

- ◆ Study Focused On a Limited Range of Psychiatric Disorders
 - Disorders that are traditionally costly to treat with some risk for hospitalization
 - Substance abuse treatment not included
 - Mild problems such as adjustment disorders not included

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- ◆ The management of the care in this study was done locally; Generalize with caution to large, centrally-managed programs

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- ◆ The management of the care in this study was done locally; Generalize with caution to large, centrally-managed programs
- ◆ In spite of financial incentives, not all subjects invited to participate accepted the invitation

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- ◆ Design Considerations
- ◆ Sample Selection
- ◆ Results
- ◆ Interpreting the Findings
- ◆ **Where to Go From Here**

Implications

- ◆ Managed Care May Not be Here to Stay, BUT COST CONTAINMENT IS!
 - Currently insurance carriers are experimenting with cost containment procedures
 - We should be doing the same
 - A proactive approach will serve us best
- ◆ We must monitor outcome to verify and document our effectiveness

Implications

- ◆ Some Insurance Carriers are flirting with capitation rates that are too low to provide quality care
 - even with the best treatments available
- ◆ Will the system of the future balance cost containment, quality, and accountability?