



# Results from the 2019 National Employer Survey on Mental Health

## *Insights & Implications for Purchasers*

April 2019



**National Alliance**  
of Healthcare Purchaser Coalitions  
Driving Innovation, Health and Value

# Our Panelists



**Michael Thompson**  
President & CEO  
National Alliance of Healthcare  
Purchaser Coalitions



**Liz Beckius**  
Senior Manager, HR Rewards Team  
Best Buy



**Lynnette Hall-Lewis, Esq. CWPC**  
Health Engagement Senior Manager  
City of Memphis

# Recent US Statistics on Mental Health



**1 in 5** Adults in the US experience mental illness in a given year

Only  
**41%**  
received mental health services

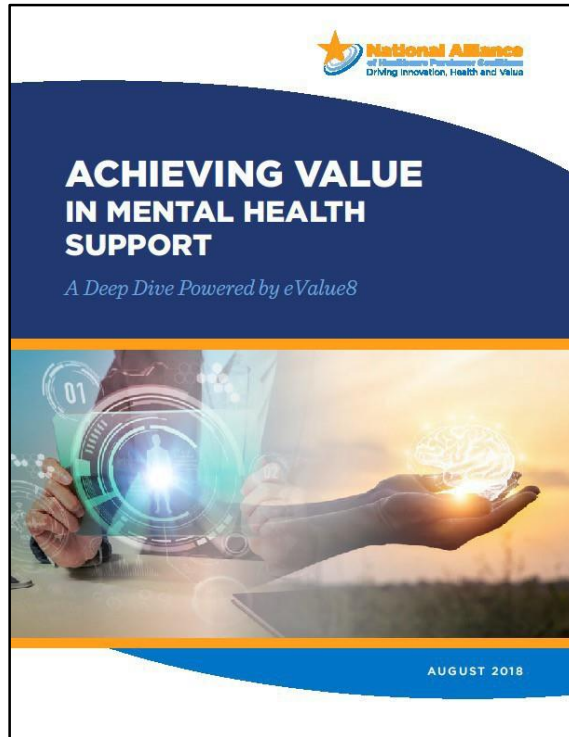
Because most employees are not seeking treatment or are unable to access care, employers are losing an estimated

**\$225.8B**

annually due to stress, anxiety, depression and substance use disorder

# National Alliance Mental Health Initiative

*Key national & regional focus in 2018 & 2019*

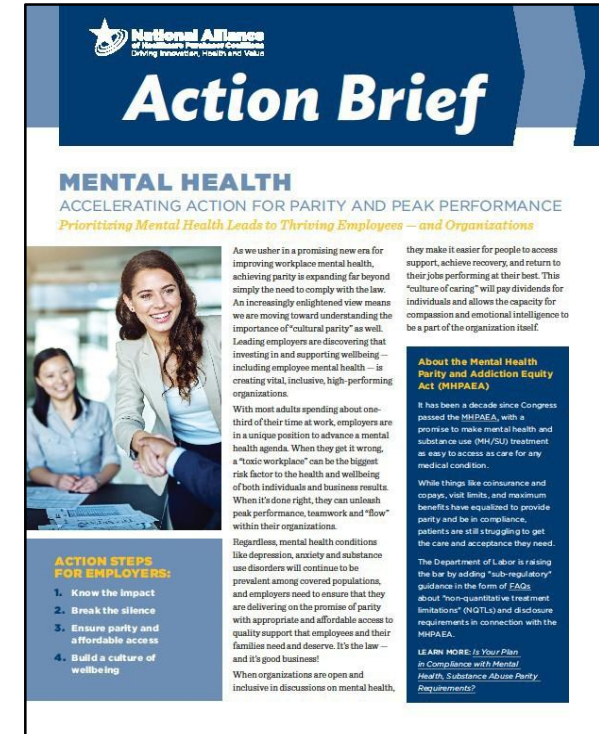


## eValue8 Deep Dive Report on Mental Health

- Assesses health plan and BHO performance
- Developed a joint “roadmap”

## Purchaser Advisory Group

- *Best Buy*
- *Bon Secours*
- *Fedex*
- *McMurry Cos*
- *OPM*
- *Prudential*
- *Tier 1 Performance*



## Action Brief: Employer Resource on Mental Health

- Broader employer MH strategy
- Focus on parity and employer “tools”



# Key Issues In Mental Health Plan Support

- ❑ Network access
- ❑ Behavioral health integration into primary care
- ❑ Measurement based care / outcomes management
- ❑ Siloed management / parity

## Past 6 months – Litigation

- Trial court recently ruled in favor of the class, stating that health plan violated mental health parity requirements
  - Guidelines used by the health plan were "tainted by financial interests"
- Two other cases found that the health plan was violating parity requirements
  - Administering networks and prior authorization different in med/surg than mental health and substance use



### 2019 Mental Health Parity Revisited

*April 2019 Update*

Since the publication of this sub-regulatory guidance on mental health parity, there has been some important activity in the courts testing some of these issues. All of these cases are still working their way through the court system on appeal, so none of these rulings are binding on the industry yet, but employers should be closely monitoring these cases.

One case is a class action lawsuit in which the trial court recently ruled in favor of the class, stating that health plan violated mental health parity requirements. The judge stated that the guidelines used by the health plan to establish coverage positions were "tainted by (the health plans') financial interests." Two other cases involving a different health plan are also moving through the courts in Massachusetts and Pennsylvania. These cases involve network adequacy standards and requirements for pre-authorization. The courts in those states found that the health plan was violating parity requirements by administering networks and prior authorization differently in medical/surgical than mental health and substance use.

May 2, 2018



### Mental Health Parity Revisited

#### Proposed FAQs Raise the Bar on Compliance

On April 21, 2018, the Department of Labor published proposed sub-regulatory guidance, in the form of Frequently Asked Questions (FAQs), regarding non-quantitative treatment limitations (NQTLs) and disclosure requirements in connection with the Mental Health Parity and Addiction Equity Act (MHPAEA).

In general, MHPAEA requires that the financial requirements (such as coinsurance and copays) and treatment limitations (such as visit limits) imposed on mental health or substance use disorder (MH/SUD) benefits cannot be more restrictive than the predominant financial requirements and treatment limitations that apply to substantially all medical/surgical benefits in a classification. The proposed FAQs explain how MHPAEA also applies parity for non-financial requirements using several examples of non-quantitative treatment limitations (NQTLs). Such examples include experimental or investigative treatment, dosage limits for prescription drugs, step therapy/"first fail" protocols, and coverage of treatment by non-physician practitioners. The FAQs attempt to clarify that, in all of these instances, the limitations placed on coverage of mental health and substance use disorder treatment cannot be any more restrictive than for medical and surgical benefits.

The FAQs also discuss the ERISA disclosure requirements imposed on employers by the Mental Health Parity Act, and clarify that ERISA plan sponsors have specific obligations to provide notice regarding coverage of mental health and substance use disorder treatment. For example, plan sponsors must provide notice regarding the criteria for medical necessity determinations, reasons for claim denials, notice of the right to appeal a claim denial, as well as the processes, strategies, evidentiary standards, and other factors used to apply an NQTL.

#### Employer Implications

Employers need to pay particular attention to these proposed mental health parity requirements as many ERISA governed plans may not have been designed or administered with an eye to this level of scrutiny. ERISA law will hold the plan sponsor accountable for any violations of these requirements, not the insurer or plan administrator.

Employers should not assume that their insurers or plan administrators are in compliance with parity; it may be beneficial to ensure there has been an independent review by a third party with expertise in the mental health parity requirements. They may also want to contractually negotiate the inclusion of a hold harmless clause for potential parity violations with the administrators of the plan. Note that this becomes more complicated for employers when there is more than one party involved in administering the plan.

The FAQs can be found at <https://www.dol.gov/general/topic/health-plans/mental>. Public comments on the proposed FAQs are invited and should be submitted by June 22, 2018, to E-OPSCA-FAQ39@dol.gov.

#### Purchaser Implications

The current rulings in these cases point toward an interpretation of the parity regulations and guidance in which the effect of the policies may matter as much as the process used to create them. The end effect on the consumer, and whether they could access the care needed, may matter more than whether a plan can prove it complied with the guidance "on paper."

The judges in all three cases made specific note in their opinions of how confusing the plans' documentation was regarding how to access mental health benefits. The courts seem to be not allowing plans to defend themselves based on legal technicalities. The industry clearly continues to be in transition to address the broader systemic issues related to mental health and substance use disorder including compliance with parity.

Plan sponsors need to continue to pay attention to these parity requirements and help to influence the performance and practices of their vendors in this regard.

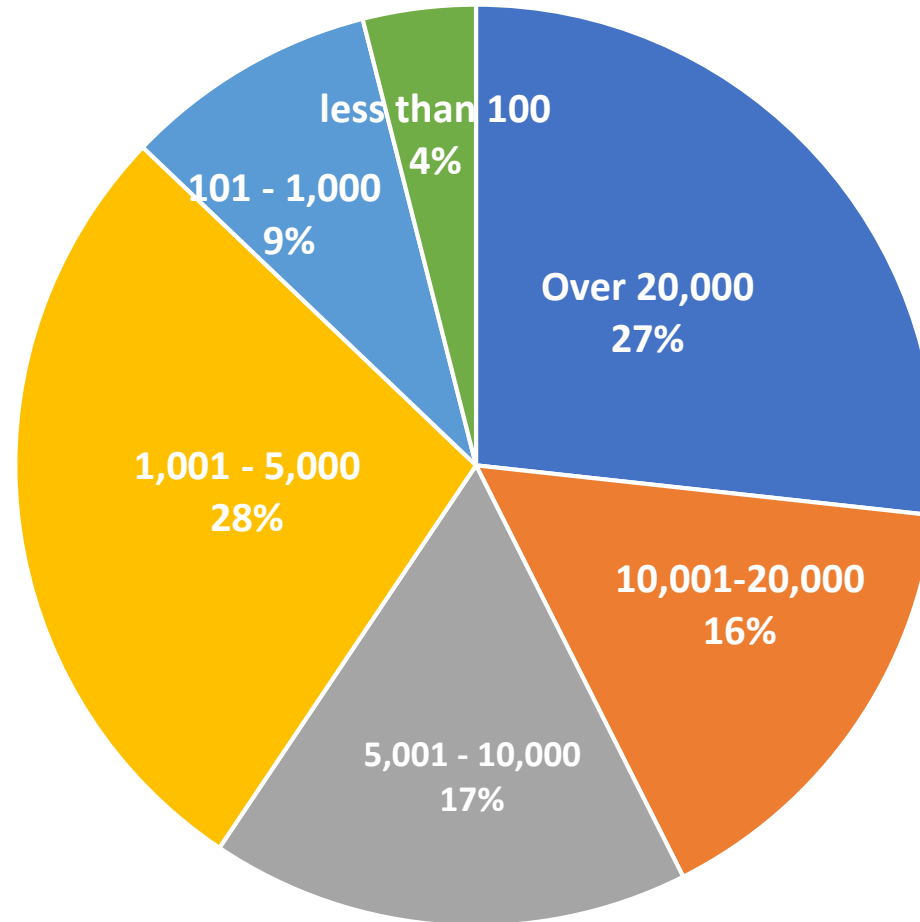


# 2019 Results

## National Alliance Employer Survey on Mental Health

# Demographics

- Survey conducted: Q1 2019
- 16 Coalitions
- 113 Employer respondents
- 90% of organizations are over 1,000 lives



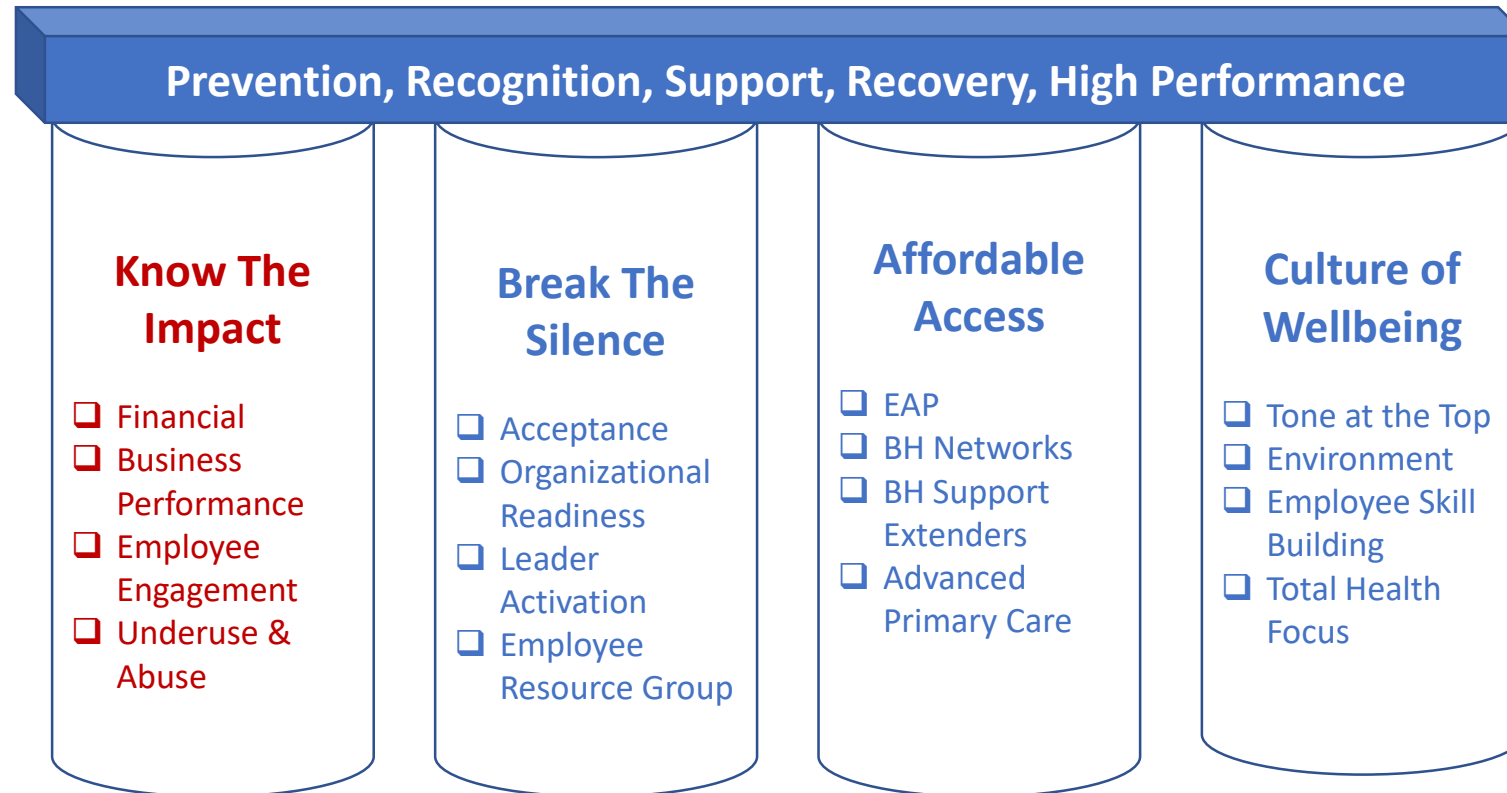
# Behavioral Health Carve Out?

	Carve-In	Carve-Out
Status today total	74%	26%
No plans to change	59%	19%
Considering change in next 12-24 months	15%	7%

- 3/4 of respondents were carved-in for behavioral health with health plan
- 25-33% of respondents are considering changing behavioral health carve-in/carve-out status in



# Behavioral Health Strategic Framework



# Importance of Mental Health to Organizations

## The Importance of Mental Health as Part of Organization's Health Management Strategy

- 35% Highly Important
- 43% Important

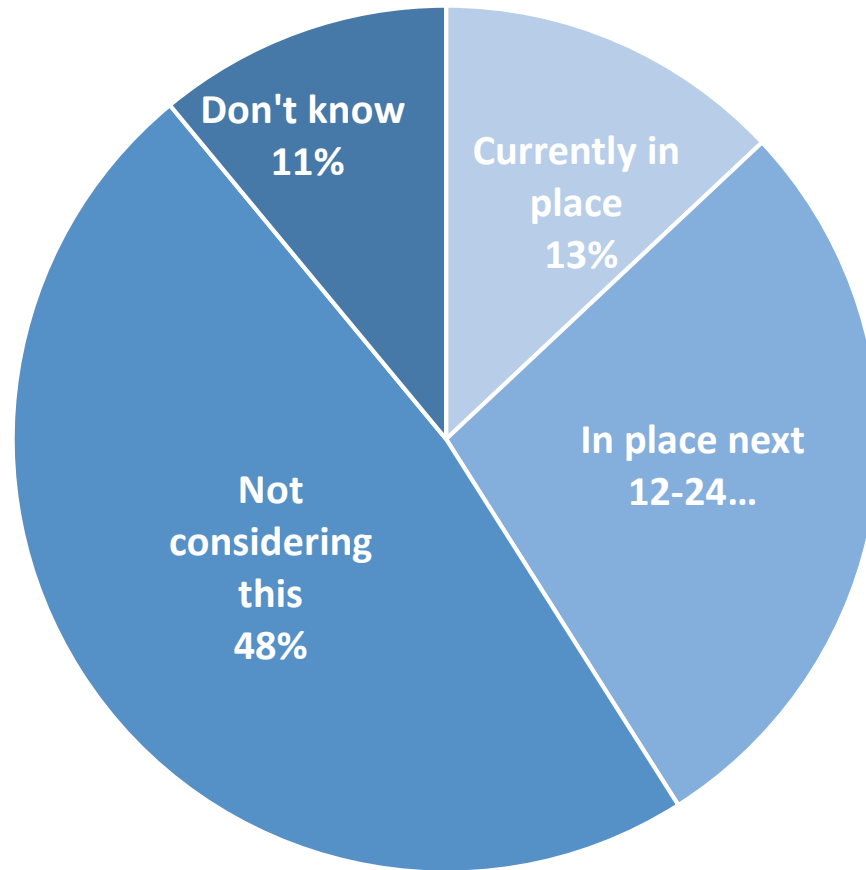
“The mental health of our employees is directly linked to the overall performance of our organization.”

- 55% Strongly Agree
- 44% Agree



# Organization Completed Internal Assessments

*Connecting mental health w/overall health and performance*

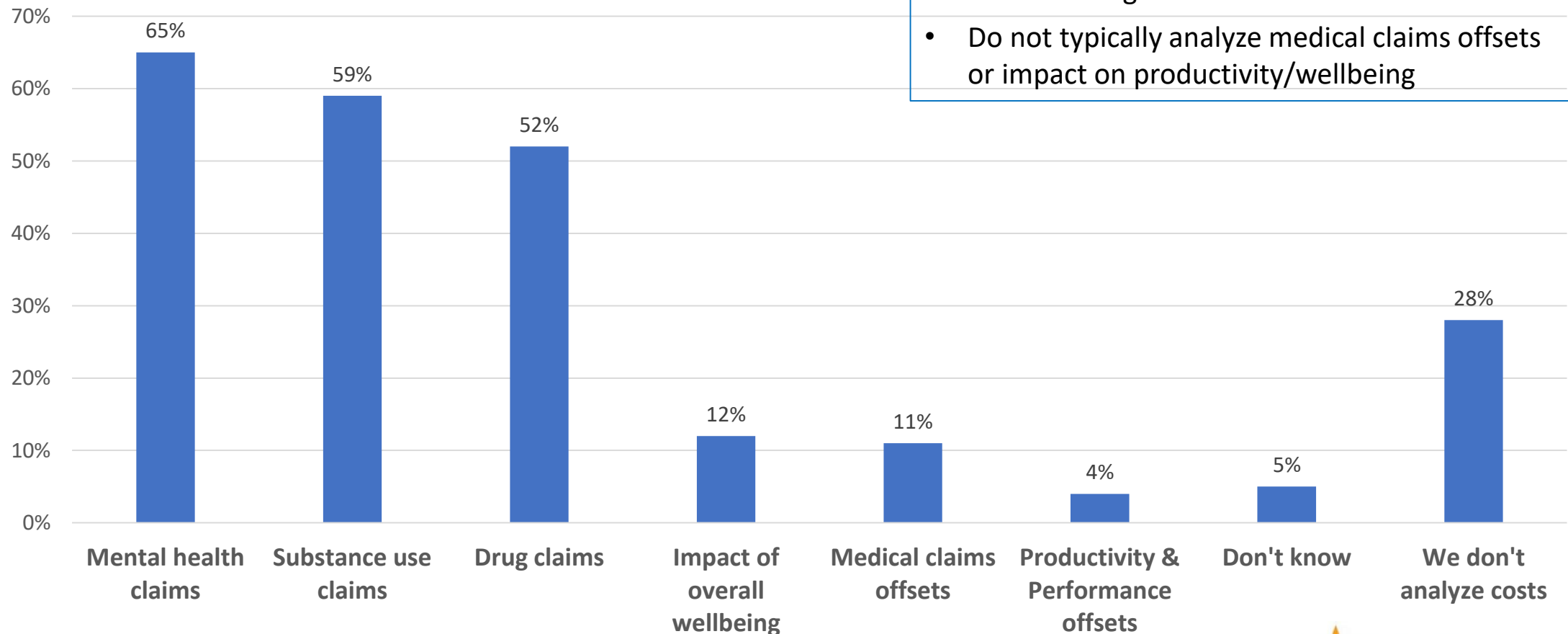


- Only 1 out of 8 respondents have data that connects mental health w/ overall health and performance
- However, another 1 out of 4 are expecting to do so in next 12-24 months
- Employers generally do recognize impact of emotional wellbeing on higher absenteeism (63%), suboptimal performance (73%) and conflict at work (42%)

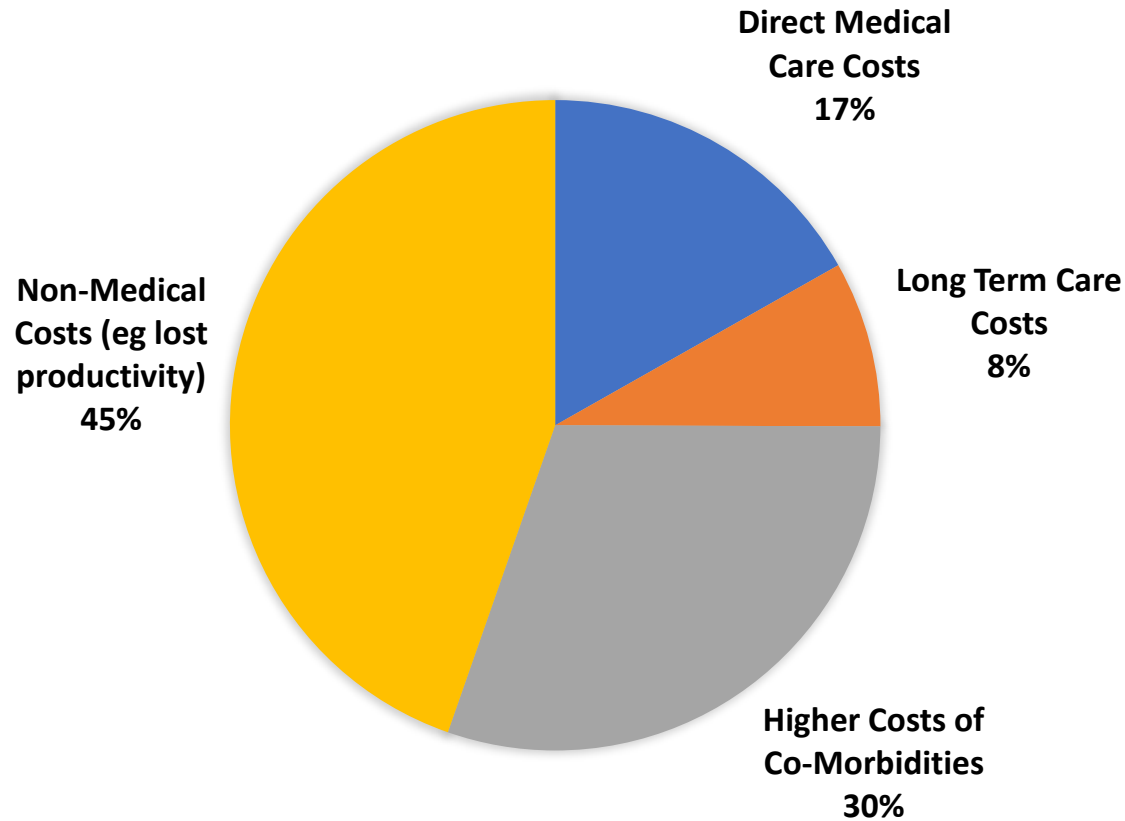
# How Organizations Analyze Costs of Mental Health and/or Substance Abuse

## Key Points:

- Employers typically look at costs of mental health through mental health claims
- Do not typically analyze medical claims offsets or impact on productivity/wellbeing



# Direct Medical Costs of Mental Health are Fraction of Economic Impact



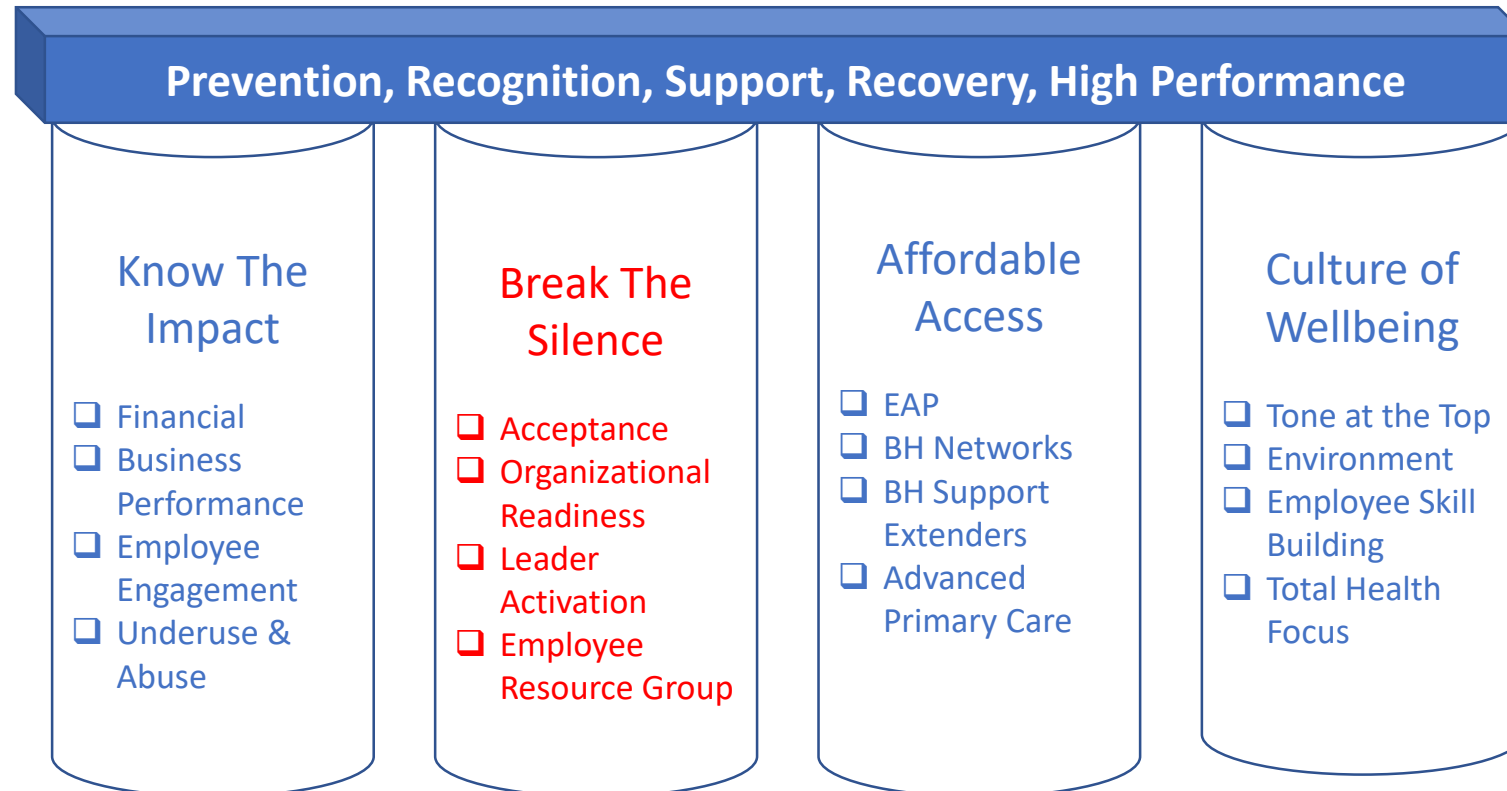
- Direct medical care costs represent less than 20% of the economic costs of brain disease
- Biggest economic costs are affiliated with:
  - non-medical costs (e.g., lost productivity)
  - higher cost of co-morbidities

Source – PwC Total Cost of Brain Disease - 2012



- 
- National Alliance**  
of Healthcare Purchaser Coalitions  
Driving Innovation, Health and Value

# Behavioral Health Strategic Framework



# Key Strategies for Mental Health

	Relative Importance
<input type="checkbox"/> Promotes mental health as a portion of our whole person wellbeing	5.23
<input type="checkbox"/> Improve employee resiliency	4.89
<input type="checkbox"/> Mitigate organizational stress	4.64
<input type="checkbox"/> Company policies and practices focused on whole person wellbeing	4.51
<input type="checkbox"/> Programs on mindfulness	3.41
<input type="checkbox"/> Building emotional intelligence	3.17
<input type="checkbox"/> Engage in community activities to reduce stigma	2.63



*Some leading employers are focusing on stigma and acceptance strategies*

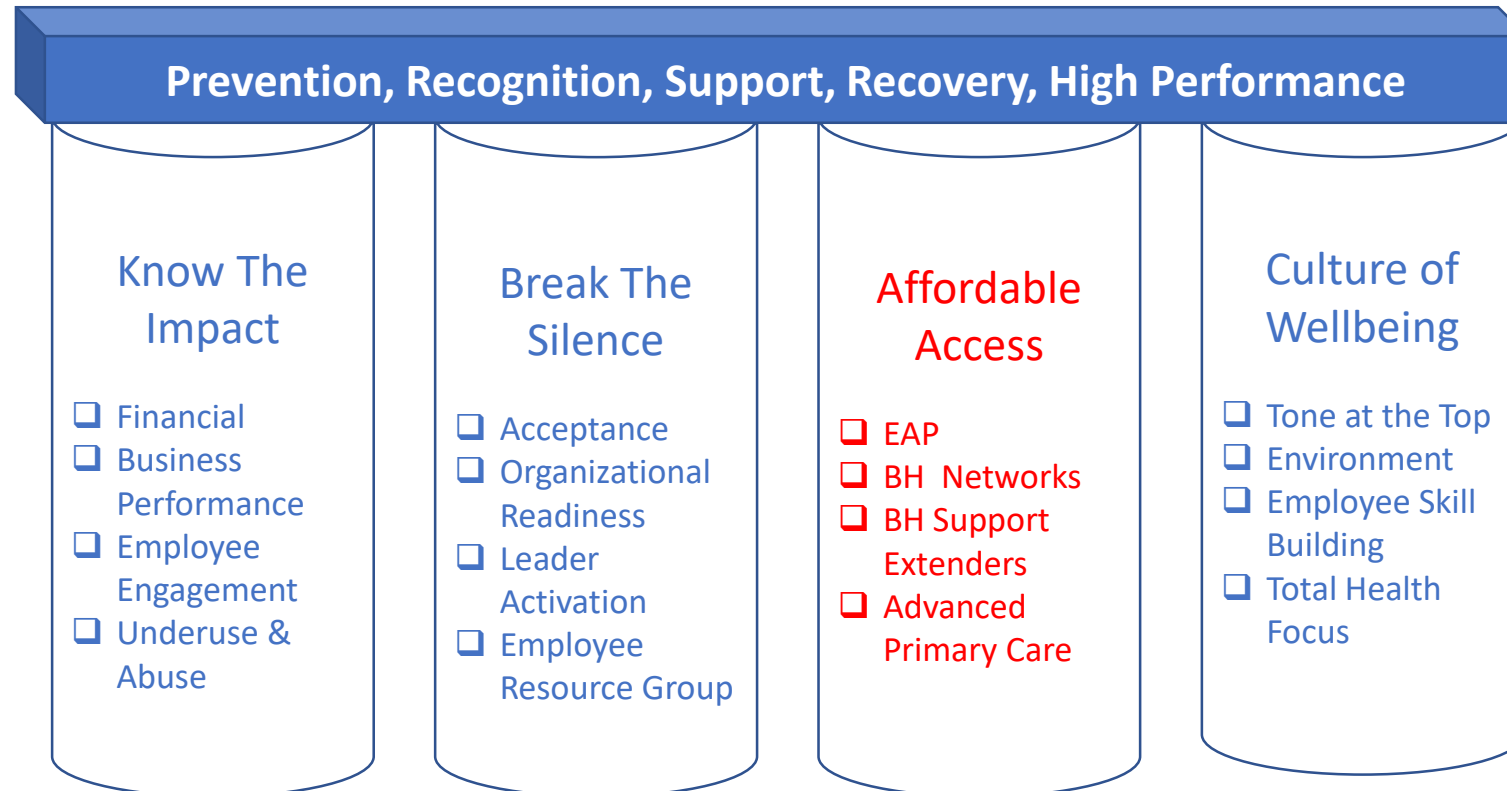
# Growing Focus on Organizational Readiness

Organization offers training for HR  
and/or supervisors that includes:

- Recognizing the signs of behavioral health concerns in employees:
  - 41% - in place
  - 23% - next 12-24 months
- How to respond so employees appropriately connect with services and supports
  - 54% - in place
  - 19% - next 12-24 months

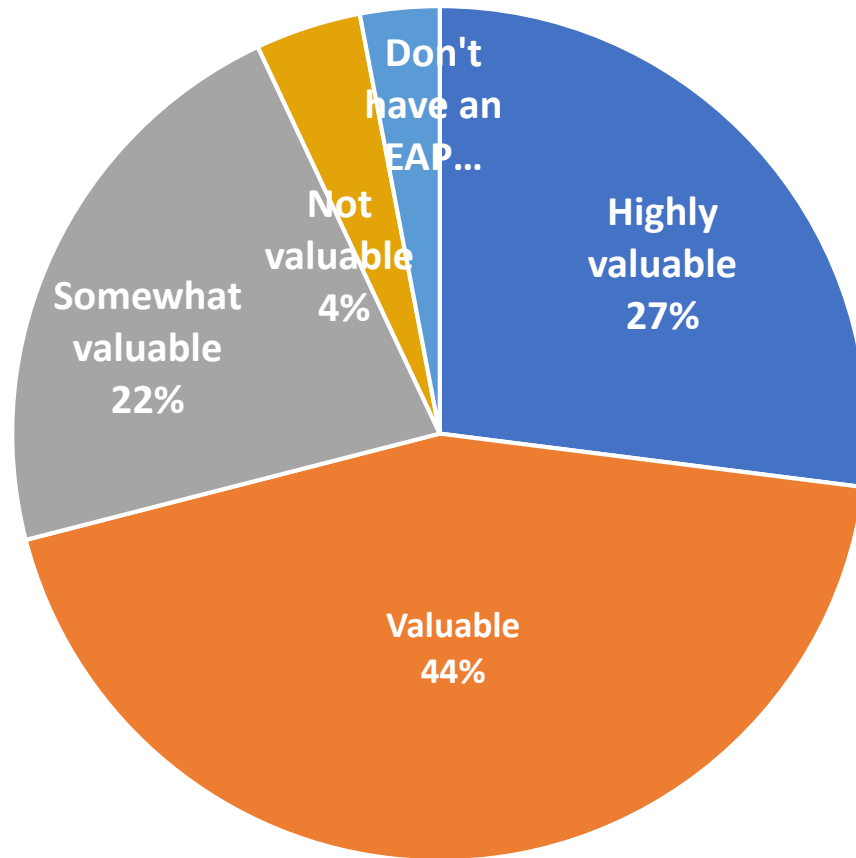


# Behavioral Health Strategic Framework





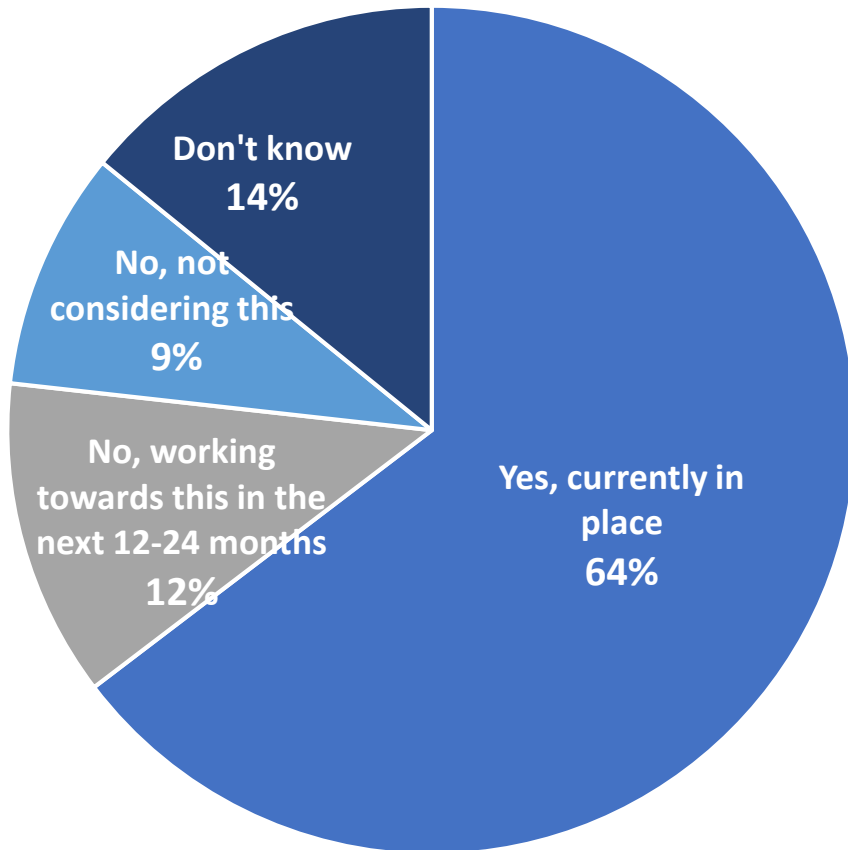
# Organization's Employee Assistance Program (EAP)



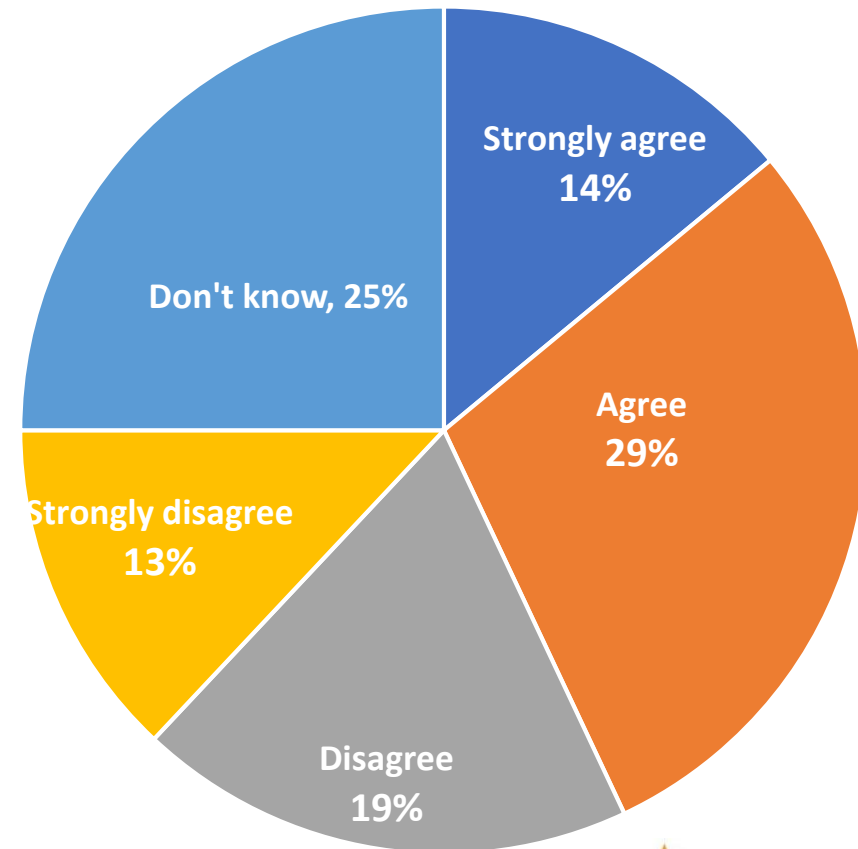
- Employers generally place value on their EAP benefits (1 in 4 say highly valuable)
- EAP usage varies but is low for most companies
  - 14% have 0-3% utilization
  - 36% have 4-6% utilization
  - 23% have 7-10% utilization
  - 16% have 10-15% utilization
  - 11% have over 15% utilization

# Network Access – A Growing Concern

Health Plan has same *network access standards* for behavioral health as for medical



Health Plan out-of-network use for behavioral health is *comparable* to medical/surgical services



# Actions of Health Plan or Behavioral Health Organizations

## *To address barriers to network participation*

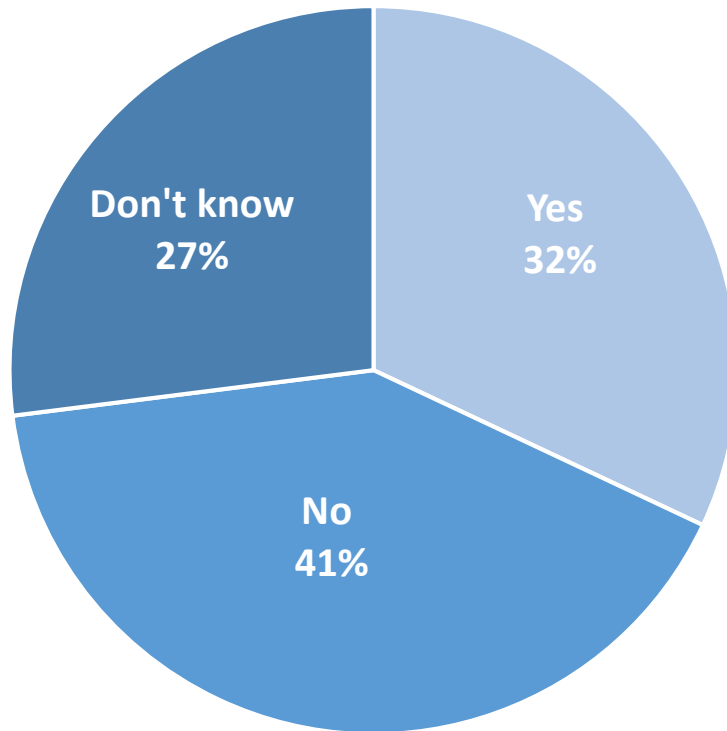
	Yes, currently in place	No, we are not considering	Don't know
Equalize reimbursement rates for mental health/substance use disorder (MH/SUD) specialist and medical surgical providers for similar services	26%	23%	33%
Develop a mechanism to fast-track credentialing of MH/SUD specialists	9%	31%	52%
Assess prior-authorization policies to mitigate access hassle factors	27%	23%	34%
Engage residents and clinicians not in-network	16%	32%	39%

***About a quarter of employers are aware of health plan strategies to address barriers to network participation***

# Mental Health Parity

## *Independent compliance assessment & Indemnification*

Independent Assessment of  
Mental Health Parity Compliance



- About 1/3 of employers believe that an independent assessment has been conducted of mental health parity
- 1 in 8 employers believe they are indemnified for risks associated with mental health parity non-compliance
  - Another 1 in 8 anticipate seeking indemnification in next 12-24 months
  - About 4 in 10 do not know their indemnification status

# Mental Health Medication Management

	Yes, currently in place	No, we are not considering	Don't know
Comprehensive coverage for medications for treating substance abuse	80%	3%	14%
Pre-authorization policies for behavioral health medications	68%	10%	17%
Offers a value-based benefit design to mitigate both access and financial barriers to appropriate medication	27%	30%	31%
Measures first medication failure rates	16%	20%	55%
Provides comprehensive coverage of medications in the formulary adequate for diverse population needs	72%	3%	20%
Review coverage and utilization of personalized genomic tests and align with timely access strategies	17%	31%	42%

*About 4 in 5 employers have comprehensive coverage of medications to serve diverse population needs*

- Less than 1 in 5 believe their plans measure first medication failure rates*
- Less than 1 in 5 believe their plans use personalized genomic tests to qualify access*



# Other Activities Employers are Doing

- 39% promote greater use of tele-behavioral health services (additional 23% moving in this direction in next 12-24m)
- 50% monitor for adherence to substance use medications
- 46% coordinate data and processes across vendors as appropriate
- 40 % monitor appropriateness of prescribing among primary care and behavioral health specialists for antidepressants, pain and ADHD
- 37% measure, report and improve performance on HEDIS measures

# What Employers Haven't Considered or Don't Know

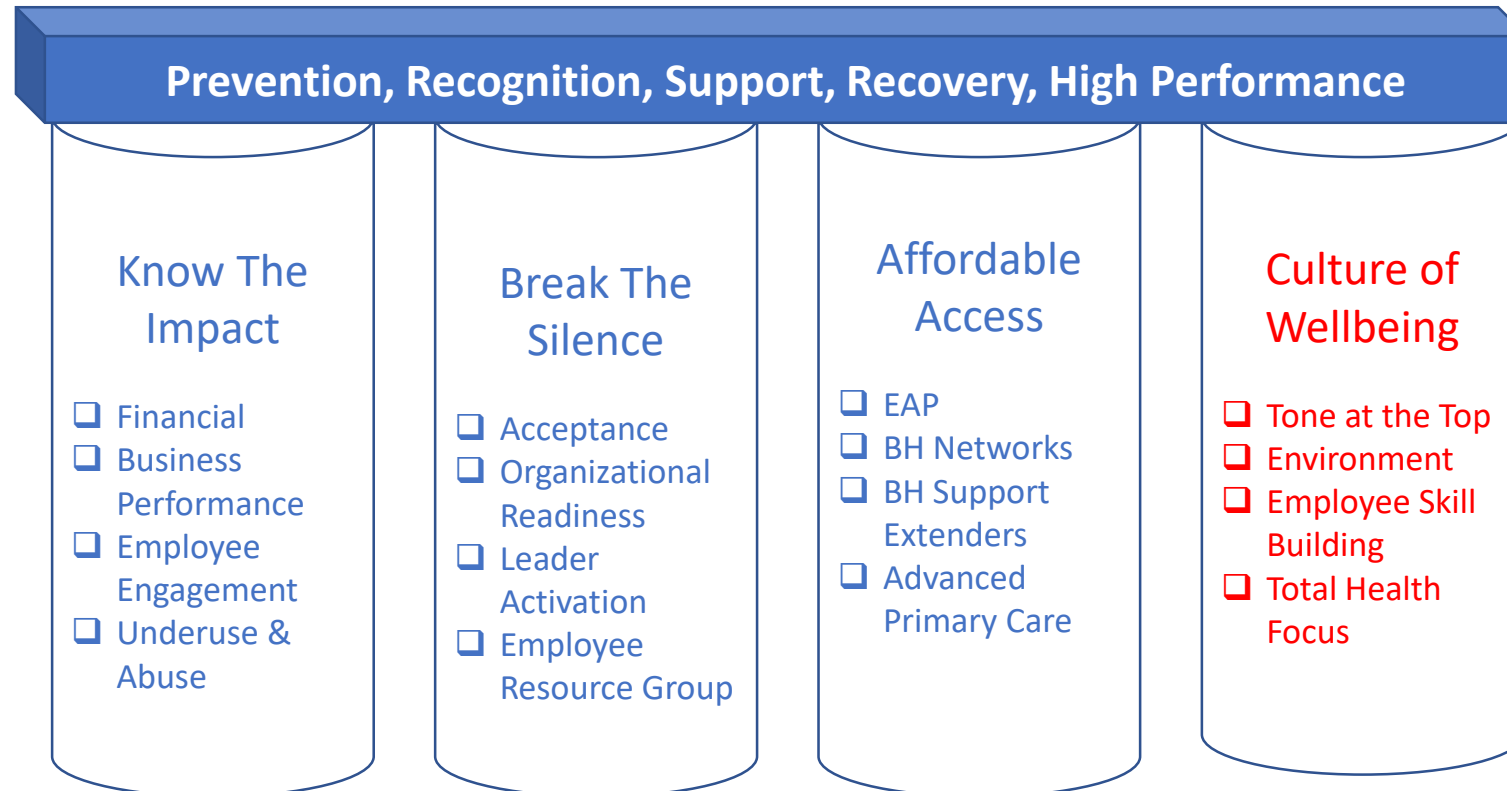
	No, we are not considering	Don't know
• Require and monitor that clinicians screen for postpartum depression	19%	52%
• Reports to validate screening, identification rates and to assess progress	18%	48%
• Include BH services and specialists in payment innovation models	17%	45%
• Have turned on four collaborative codes or promoted them with no associated copay	25%	70%
• Reimburse for transitional care codes	17%	66%
• Provide quarterly reports on number of collaborative care claims received and reimbursed	28%	57%

# Highlighted Employer Comments

- We are working on a full overhaul of our mental health and EAP benefits over the next 12-18 months
- Our TPA does not stay at the cutting edge either, a constant frustration
- I find it very challenging to work with the insurance carriers especially if one is a small group; difficult to make any progress/think differently
- These questions suggest new information we have not considered nor has our health plan discussed with us. Where can I get a copy of this survey?



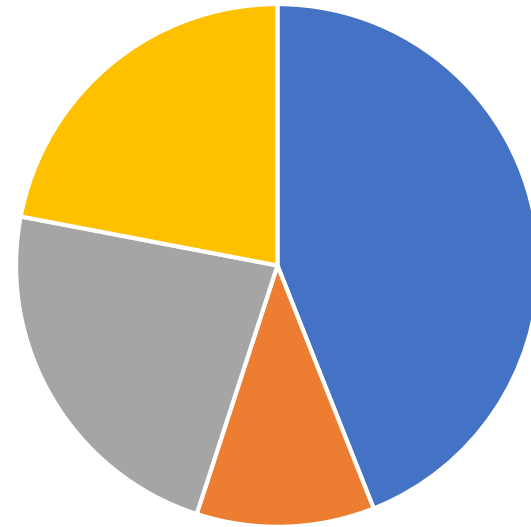
# Behavioral Health Strategic Framework



# Wellbeing in Organizations

**43% of employers include a whole person health and wellbeing view** when examining opportunities and program impact

There is a person in organization that owns “whole person wellbeing”



- Yes, already in place
- No, considering in next 12-24 months
- Want to learn more
- Not considering



# Mental Health and Overall Wellbeing are Mutually Supportive

***The essential elements of wellbeing are foundational to overall mental health***

- **Purpose:** liking what you do each day and being motivated to achieve your goals
- **Social:** having supportive relationships and love in your life
- **Financial:** managing your economic life to reduce stress and increase security
- **Community:** liking where you live, feeling safe, and having pride in your community
- **Physical:** having good health and enough energy to get things done daily

Source: Gallop-Sharecare Well-Being Index

# Connectivity – A Key to Better Health & Wellbeing

- Environmental factors are increasing loneliness and isolation
  - Geographic "migration" driven by economic and lifestyle factors
  - "Diversity polarization" based on race, gender, sexual preferences
  - Social media and the "connectivity paradox"
- If unrecognized and unaddressed, a “triple-bottom line” issue:
  - Adds to benefit costs and reduces productivity
  - Reduces ability to collaborate effectively and engage with customers/co-workers
  - Works against creating a “diversity friendly” environment



Loneliness is more prevalent than once thought...

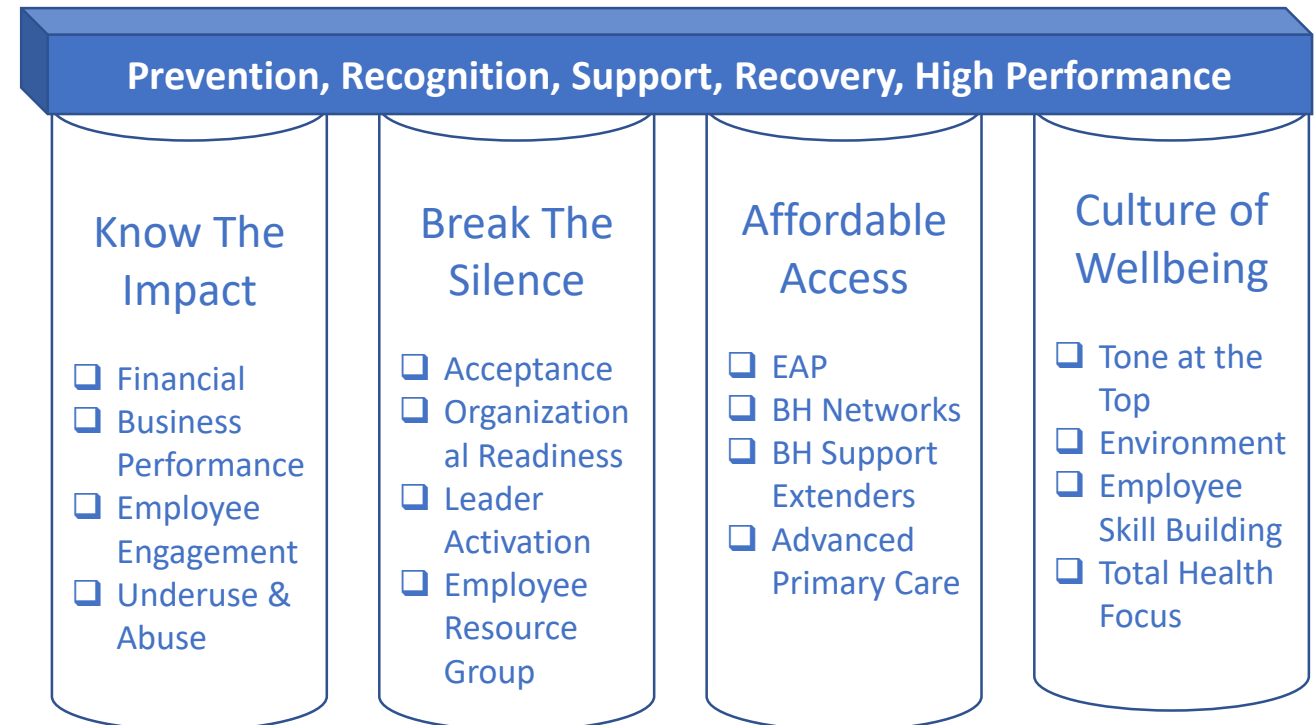
- 65% ever experienced significant loneliness
- 50% experience loneliness in public lives
- 35% are currently feeling lonely

Source: Jeremy Nobel, MD, MPH, The UnLoneliness Project  
President and Founder, Foundation for Arts and Healing

# Key Takeaways

- Employers have made mental health a business priority but progress varies
- There is a roadmap that employers can follow
- We are well on our way to addressing the cultural issues critical to sustaining the emotional health of our people
- There are critical system change issues that need to be addressed (in conjunction with our vendor partners)

## Behavioral Health Strategic Framework



# Our Reactor Panelists – Q&A



**Michael Thompson**  
President & CEO  
National Alliance of Healthcare  
Purchaser Coalitions



**Liz Beckius**  
Senior Manager, HR Rewards Team  
Best Buy



**Lynnette Hall-Lewis, Esq. CWPC**  
Health Engagement Senior Manager  
City of Memphis

# How Coalitions Can Best Support Employers

*To execute an organizational mental health strategy*

## Create a Toolkit

- Learn how to implement a mental health strategy including getting company buy-in
- Suggested contract language to ensure proper design, benefit design strategies and access to reports/metrics
- Provide benchmarking data on trends, current research and employer case studies with measurable results
- Learn how to vet for the right vendor or behavioral health organization
- Strategies that can support a culture of wellbeing and reduce workplace stigma
- Supported the mitigation of behavioral health costs without compromising access
- Outlining important things to focus on within the health and drug plans

## Host Workshops/Seminars

- Show employers who have put some successful strategies in place
- Offer specific training on benefit design recommendations and turn-key training for HR/Supervisors
- Host user groups, roundtables and trainings that include sharing employer strategies & lessons learned
- Keep employer's up to date on what is working and not working in the workplace to relieve stress, improve productivity
- Identify best practices focused on integrating MH services, insurance vendor, service providers, EAP and wellness related staff within the organization

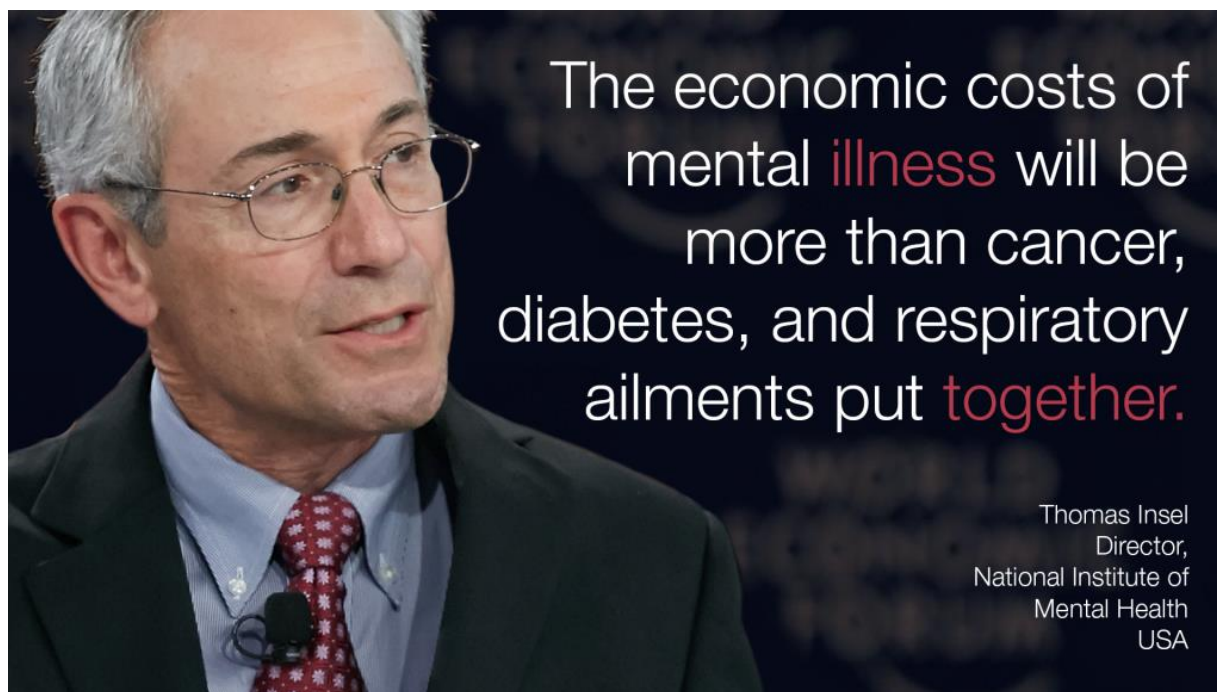
## Support System Changes

- Help expand access / network for MH providers
- Address lack of access to providers with open practices, and expertise in sub-specialties
- Expand in-network participation of substance abuse centers
- Destigmatize mental health in communities by providing accessible mental health resources
- Drive demand for better metrics from BH community on quality and outcomes that are measurable



# Mental Health – A Global View

## World Economic Forum Webcast – June 3



### Global Mental Health Initiative from the World Economic Forum

June 3 | 11:00 AM - 12:00 PM ET



[Register today](#)

*A Certified Employee Benefits Specialist (CEBS) credit is offered for this webinar.*

This past January, mental health rose in prominence to be one of the primary topics on the main stage at the World Economic Forum (in the same conversation as global climate change!). This webinar will provide highlights of the discussion, findings and path forward coming out of Davos earlier this year while providing organizations a more global view of the issues and opportunities in mental health.

### Speaker



#### Peter Varnum

Lead, Global Mental Health and NCDs  
Global Leadership Fellow  
World Economic Forum

Peter Varnum is leading the World Economic Forum's work on global mental health, developing and executing global-scale projects and fostering a multi-stakeholder community. The initiative includes combating self-stigma, public stigma, and institutional stigma against those with mental health conditions common and severe. He also manages other health-related projects at the Forum.

**Don't miss out - register today!**