Regarding LD 674, "An Act to Support Early Interventions and Treatment of Mental Health Disorders."

Douglas R. Robbins, M.D. – March 25, 2021

Senator Claxton, Representative Meyer, and distinguished members of the Joint Standing Committee on Health and Human Services:

I am a child and adolescent psychiatrist. For twenty years I was Director of the Division of Child and Adolescent Psychiatry at Maine Medical Center, and I am now with Maine Health's community mental health system, Maine Behavioral Healthcare. I am a Clinical Professor of Psychiatry in the Tufts University School of Medicine. I served as the Medical Director of the PIER First Episode Psychosis program from it's receipt of a federal grant in 2015 through 2018. I am co-chair of a national workgroup on early psychosis financing supported by the National Alliance on Mental Illness.

This bill will bring effective treatment to hundreds of Mainers with severe, disabling mental illness. It focuses on the early intervention in disorders with psychosis – hallucinations, delusions, and disorganized thinking - Schizophrenia, severe Bipolar Disorder and Depression, and others. These include at least 3 percent of the population, or approximately 39,000 people in Maine. They are often severely disabling, resulting in disruption of relationships with family, inability to complete education or to work, law enforcement contacts, substance abuse, homelessness, and shortened lives due to medical illness and suicide.

Until recently, effects of treatment have been seriously limited, but we now have an evidence-based intervention that can pro improve people's lives. Coordinated Specialty Care is a team-based model which includes family support, recovery-based psychotherapy, educational and vocational support, peer mentor support, active outreach, and targeted medication. Multiple studies have found that when started within the first two years after onset of psychosis, symptoms often decrease and function improves. Tragic outcomes can be prevented.

Most people in Maine who will benefit, however, do not have access to this treatment, largely due to limited support by health insurance – which covers no more than 40% of the costs. Treatment is available now only through a grant-funded team in Portland. LD 674, however, will make this treatment available throughout Maine – from Kittery to Calais, from Rockland to Rangeley.

Coordinated Specialty Care for early treatment of psychotic disorders is cost-effective. Multiple studies have shown that a limited increase in outpatient costs results in less need for hospitalization, resulting in a net decrease in healthcare costs. A community mental health study found a net savings of nearly \$3000 per patient within the first 12 months of treatment. Treatment of 140 patients annually in Maine with early psychosis will result in savings of approximately \$420,000.

While these savings cannot be included in calculation of the Fiscal Note, they support the application for more flexible use of federal Medicaid funds through an 1115 Waiver or a State Plan Amendment, decreasing costs to Maine.

This early, evidence-based treatment of severe mental illness is a clear example of Value-Based Healthcare. It uses resources more carefully, and results in better outcomes. LD 674 will help severely ill Mainers, and it is sound fiscal healthcare policy.

LD 674

An Act To Support Early Intervention and Treatment of Psychotic Disorders

Facts relevant to clinical effectiveness, costs, and cost-effectiveness

1. What are Psychotic Disorders?

<u>Psychotic Disorders</u> are severe mental illnesses with symptoms including auditory hallucinations (hearing voices), delusions (paranoid and other), and disorganized thinking.

<u>Diagnoses of psychotic disorders include Schizophrenia and related disorders, severe Bipolar Disorder, severe Major Depressive Disorder, and others.</u>

Psychotic disorders affect 3% of the population – more than Type I Diabetes Mellitus.

<u>Psychotic Disorders often cause severe disability including:</u>

Inability to complete education or to work. Life-long disability for many.

Recurrent need for psychiatric hospitalization, Emergency Department visits, and other intensive services.

Disruption of relationships with family and others. Risk of homelessness.

Increased risk for substance abuse

Increased risk of law enforcement contacts, incarceration

<u>Psychotic Disorders are associated with 25 years' premature death.</u>

Mortality in the first year after onset is 24 times that of the same-age general population. (5) Increased risk of suicide, particularly in the first years following onset of psychosis (5)

Increased cardiovascular and other illness – independently of medications, which may increase risks further

Difficulty engaging with primary care

2. New Treatment is Effective.

Until recently, psychotic Disorders have been only partially treatable.

Medications treat some symptoms and allow most patients to avoid lengthy hospitalizations, but other symptoms are often not improved. Disability continues to be severe for many.

<u>Early treatment – within months to two years of onset of psychotic symptoms, is associated with better response to treatment.</u> Shorter "Duration of Untreated Psychosis" (DUP) is critical for most effective treatment.

A treatment model, Coordinated Specialty Care, is effective (2). Effects include:

Increased ability to complete education and to work

Treatment in Maine's PIER Program has resulted in 90% of patients being involved with education or work after two years, in contrast to 30% in usual treatment.

Less need for psychiatric hospitalization. In usual care – 62% require hospitalization or ED treatment in the first year after onset (5)

Maine's early psychosis treatment program has been associated with low rates hospitalization

63% hospitalized prior to entering PIER specialized treatment 16 % hospitalized during PIER treatment (average duration one year) Shorter length of stay when hospitalized.

Decreased risk of suicide

Decreased risk of substance abuse

Improved relationships with family. Decreased homelessness.

Decreased contacts with law enforcement. Decreased incarceration.

Improved engagement with primary care for medical needs.

Coordinated Specialty Care includes: (2, 7)

Team-based, collaborative care rather than fragmented treatment from multiple sources Use of Assertive Community Treatment principles

Outreach to engage patients and families, who may not be aware that treatment is available and effective

Family education and support. PIER Program includes Multi-Family Group Psychoeducation.

Recovery-oriented psychotherapy, such as Cognitive-Behavioral Therapy for Psychosis

Support for education and work

Peer Mentor support. Family Partners. – emphasized in Maine's PIER Program

Case management/care coordination

Evidence-based medical assessment and medication treatment

Work in Maine on early psychosis, beginning in the 1990's under Dr. William McFarlane, played a significant role in developing the treatment model. The Portland Identification and Early Referral (PIER) Program developed and led a national multi-site study funded by the Robert Wood Johnson Foundation. Staff involved in that work in that work continue in the current program.

A leader and co-author in one of the key US studies (7), Jessica Pollard, Ph.D., is now Director of the Office of Behavioral Health in Maine DHHS.

3. Cost-Effectiveness of Early Intervention with Coordinated Specialty Care

<u>Economic evaluation studies of multiple studies, US and international, find that early intervention for psychotic disorders is cost-effective.</u> (1, 3, 4, 7)

Cost of effective treatment of these severe mental illnesses is comparable to what we pay for many other medical interventions (4). Insurance support for this treatment is consistent with the expectation, and legal mandate, of Parity for behavioral health conditions.

Healthcare savings with specialized treatment for early psychosis are approximately \$3000/year less than for usual care.

Net savings in healthcare costs = \$2991 per patient in first 12 months. (7)

Estimated saving in Maine: 142 patients x \$2991 net savings per patient = \$424,177.

4. Sustainable funding can extend evidence-based early psychosis treatment to all in Maine who need it. Absence of sustainable funding is the primary barrier to state-wide implementation.

<u>Current healthcare funding – MaineCare and commercial insurance – pays for less than 40% of the</u> necessary treatment model. (6)

Many services and program costs are not recognized by most current healthcare costs

Cost of team-based Collaborative Care

Educational and vocational support

Peer Mentor Support

Family education and support, including Multi-Family Groups – insufficiently supported Staff training and supervision in evidence-based services, e.g. CBT-Psychosis

Treatment is currently available only through a team in Portland funded by a federal grant.

Despite increasing the numbers served to double the initial number, in 2015, the PIER program has treated only a portion of those who could benefit, primarily in Cumberland and York Counties and some patients from the Mid-Coast area. With increased use of Telehealth during the COVID pandemic, the program has been able to provide consultation and some treatment in Lincoln, Waldo, Franklin, Oxford, Penobscot, Aroostook, and Washington Counties. Most of those who might benefit in the more distant counties, however, do not receive the full treatment program.

Sustainable funding, with training and support, however, will allow effective treatment to be available throughout Maine.

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Additional references available on request. D. Robbins MD; robbid@mainebehavioralhealthcare.org