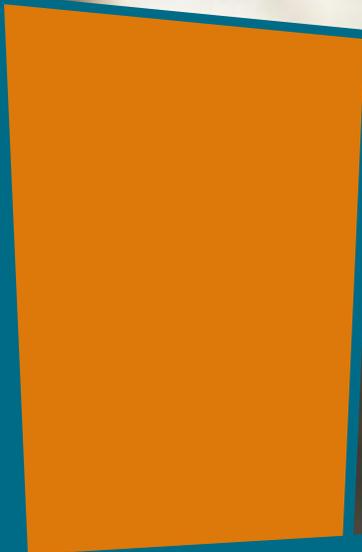


HIGHLIGHTS



THE STATUS OF  
**MENTAL HEALTH CARE**  
IN COLORADO



PRESENTED BY THE MENTAL HEALTH FUNDERS COLLABORATIVE

## BACKGROUND

Eight Colorado grantmaking foundations formed a unique collaborative to study the mental health care needs in the state. Foundations participating in the Mental Health Funders Collaborative include:

- Caring for Colorado Foundation
- The Colorado Trust
- Daniels Fund
- First Data Western Union Foundation
- HealthONE Alliance

- Rose Community Foundation
- Rose Women's Organization
- The Denver Foundation, with support from the following funds: Ryan Briggs Memorial Foundation, Diana Burk Vickery Charitable Foundation, N.E.A.R. Fund and the John Jenkins & Debra Lappin Fund.

The collaborative commissioned TriWest Group to conduct the assessment and critical analysis of the public and private mental health systems in Colorado. TriWest interviewed 150 key informants across the state and multiple stakeholder groups, conducted statewide focus groups

with over 110 additional consumers and family members, surveyed more than 220 Colorado providers and reviewed 320 state and national published and unpublished sources.

Findings of this study will allow collaborative members, and others across the state who work to support and improve mental health, to better understand the strengths and weaknesses of Colorado's systems and services in order to identify opportunities to strengthen them. What follows are highlights from the full report, *The Status of Mental Health Care in Colorado*.

## TRENDS

The Mental Health Funders Collaborative study found some alarming trends within Colorado's complex, fragmented array of mental health systems and providers:

### GROWING NEEDS

- One out of five people in Colorado needs mental health services each year, yet fewer than a third of them receive care. The lack of care resulted in suicide, lost productivity and homelessness, among other costs, for many of the 600,000 Coloradans who went untreated in 2000.
- Children and adolescents make up nearly one quarter of Colorado's population, but experience over one-third of the severe mental health needs in the state. Only half of children from families with both low incomes and severe levels of need received care in 2000.

### SHRINKING RESOURCES

- In 2001, Colorado ranked 31st nationally for publicly funded mental health care, spending just over \$64 per capita – 21% below the national average of \$81 per capita.
- Public mental health spending continues to lose ground as a result of state budget cuts. Per capita spending for non-Medicaid care was cut 17% in 2002 and is expected to fall nearly 7% more in the 2003-04 state fiscal year, which will likely result in nearly 10,000 fewer people being served in 2004.
- Publicly funded state hospital capacity has eroded significantly. Over one-third of adolescent capacity and over one-fourth of adult capacity were cut between July 2002 and July 2003 – with virtually no cost savings to the state.

- After falling in proportion to overall health care spending throughout the 1990s, private mental health benefits are now being further trimmed as part of a broader response by employers to reduce their health care costs.

### INACCESSIBLE & INADEQUATE CARE

- Significant disparities exist in access to mental health care for racial, ethnic and sexual minority groups, for people with disabilities, and for people living in rural areas of the state.
- A great number of services that are known to be effective are not widely available, often because such services are more expensive.
- Colorado lacks child psychiatrists and other providers with specialized skills. Shortages are most acute for children and older adults, and in rural areas of the state.

MENTAL HEALTH FUNDING IN COLORADO WAS THE MOST FREQUENTLY MENTIONED CONCERN AMONG KEY INFORMANTS;  
*most called it a crisis.*

# KEY OBSERVATIONS

## ONE:

### THERE IS A NEED FOR COORDINATION AND INTEGRATION

There is no single mental health system in Colorado. The “mental health system” is actually many fragmented systems, including public mental health providers, largely funded by the government; private mental health providers, largely funded by private insurance and people who pay for their own care; and other systems of care that are not designated mental health systems, but which actually provide more mental health services than the two formal mental health systems combined.

## TWO:

### MANY PEOPLE CANNOT ACCESS NEEDED CARE

In 2000, one in five Coloradans (900,000 people) needed mental health care, yet less than one-third of them received services. Of these individuals in need of mental health services, more than 250,000 have been identified as being in severe need, meeting criteria established by the Mental Health Services of Colorado. Denver and the Western Slope have the highest per capita rates of severe mental health needs; however, there are far fewer services available per capita on the Western Slope to meet this high need.



### PUBLIC MENTAL HEALTH PROVIDERS

(2.5 out of every 10 served)

- 17 Community Mental Health Centers
- 6 Other Publicly Funded Clinics
- 2 Colorado Mental Health Institutes
- 2 Veterans Administration Hospitals
- 8 MHASA (Medicaid) Networks

### PRIVATE MENTAL HEALTH PROVIDERS

(1.5 out of every 10 served)

- 20 Private Hospitals
- 713 Psychiatrists
- 7,648 Psychologists, Social Workers, Marriage & Family Therapists & Professional Counselors

### OTHER SYSTEMS PROVIDING MENTAL HEALTH SERVICES

(6 out of every 10 served)

- Primary Care Physicians and Providers
- Substance Abuse Services
- Child Welfare
- Youth and Adult Corrections

Data in graphic about Colorado's mental health systems current as of July 2003.

The system does not do better in terms of meeting an array of special needs. Children and adolescents make up nearly one quarter of Colorado's population and experience over one-third of the severe needs. However, a higher proportion of adults with severe needs receive care (two-thirds) than do children (just over half) or older adults (just under half). And, while overall rates of mental health needs do not seem to differ by racial or ethnic group, disparities in access to care are clear. In particular, too few culturally and linguistically competent providers are available for the one in four Coloradans who are Latino, African American, Asian American, Pacific Islander or American Indian. In addition, the mental health needs of gay, lesbian, bisexual and transgendered people, as well as people with disabilities, are higher for stress-related conditions and they experience systematic barriers to effective care.

Overall, people with the lowest incomes and most severe disorders (particularly those with Medicaid) are more than twice as likely to receive mental health care than are other Coloradans.

## THREE:

### MENTAL HEALTH FUNDING IS LOW AND SHRINKING

Mental health funding in Colorado was the most frequently mentioned concern among key informants; most called it a crisis. Public funding per capita was 21% below the national average in 2001 and has fallen sharply since, particularly for those with severe needs and no Medicaid. Funding for low-income people with severe needs and no Medicaid will have been slashed nearly 23% between 2001 and the 2004 budget year. This will likely result in services being cut for nearly 10,000 people in 2004. At the same time that funding for community-based services is cut, more of the people with the most severe needs are discharged from state hospitals, with 27% of adult inpatient capacity and 35% of adolescent inpatient capacity having been eliminated between July 2002 and July 2003. Even Colorado's Medicaid program, which arguably offers the best mental health coverage in the state, has begun to experience reduced funding, with thousands fewer people served in state fiscal year 2002-03 than in 2001-02.

*(Observations continued on page 3)*

# KEY OBSERVATIONS

— CONTINUED

On the private side, even fewer people receive needed mental health care. Many lack insurance altogether, but for those with coverage, mental health benefit spending fell in proportion to general health benefits throughout the 1990s. Additionally, managed and limited mental health benefits mean even those with insurance increasingly must pay for their own care or forgo it altogether.

## FOUR:

### MENTAL HEALTH COSTS ARE INCREASING

The cost of mental health care is increasing due to both health care inflation and costs for newly available treatments. Overall, health care spending, including mental health care, rose 8.7% between 2000 and 2001. Spending on Medicaid, hospital care and prescription drugs grew fastest, with hospital spending contributing 30% of the overall spending increase. Prescription spending grew

at twice its overall historic rate in 2001, though most of the increase is attributable to more prescriptions being written, not to increased costs per prescription. Accordingly, insurance premiums rose 10.5% in 2001, and out-of-pocket spending rose about 5%.

Referring to these growing costs only as inflation obscures the increased effectiveness of new medications and treatments. For example, analysis of advances in treatment for depression found that the value of treatment gains outweighed increased costs, primarily due to the value of the reduced time patients spend depressed.

## FIVE:

### MANY MENTAL HEALTH SERVICES WORK, BUT ARE NOT AVAILABLE

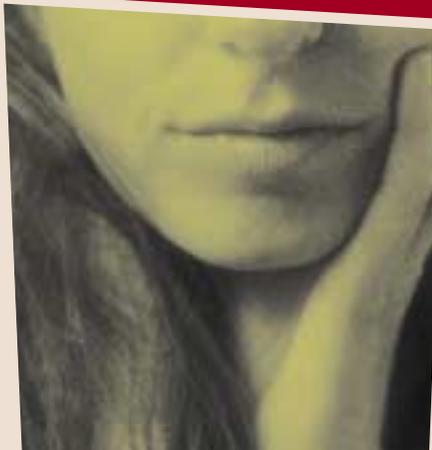
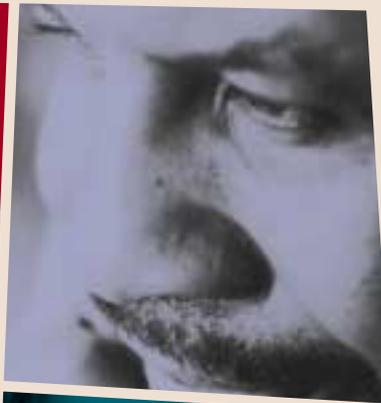
A wide array of mental health practices are known to work; however, most services delivered in Colorado – and the nation as a whole – do not incorporate these practices. In many cases, it will require additional spending, provider education and efforts to overcome the inertia of training programs and

treatment systems alike to implement these proven services. But, these practices are more likely to improve productivity, reduce costs for other health and human services and lead to better lives for those in need of care. At the same time, many proven or promising practices have been implemented in Colorado and can serve as models for the wider dissemination of effective care approaches. These include assertive community treatment for adults with serious mental illness, wraparound planning and blended funding for youth with serious emotional disturbances, and integrated depression treatment initiatives in primary care settings. These and more than 100 other programs, practices and interventions for children, youth, families, adults and older adults are documented in the full report.

## SIX:

### PROVIDERS WITH SPECIALIZED SKILLS ARE NEEDED

While Colorado has more psychiatrists, social workers and psychologists per capita than most other states, there is a lack of providers with certain critical specialties, and providers in general to serve rural areas of the state. The current study suggests a need for psychiatrists, in particular child psychiatrists. There also is a lack of child and older adult specialists overall. Northeast Colorado and the Western Slope have fewer psychiatrists than federal standards suggest are needed. Furthermore, Latino/Hispanic Americans, African Americans and Asian Americans/Pacific Islanders are underrepresented among providers.



ONE OUT OF FIVE PEOPLE  
IN COLORADO NEEDS MENTAL  
HEALTH SERVICES EACH YEAR,  
*yet fewer than a third  
of them receive care.*

Too few providers speak Spanish, American Sign Language and other non-English languages.

## SEVEN:

### RESILIENCE AND RECOVERY ARE IMPORTANT TRENDS

The concepts of recovery and resilience stem from a growing national movement among people using mental health services, their families, providers and decision makers. They are looking beyond traditional ideas about mental health services to broader issues of health, community and involvement in the lives of adults with mental illness and children with emotional disorders. The notion of recovery from mental illness is reshaping adults' expectations for themselves and their treatment: people can "recover" and live satisfying, contributing, hopeful lives, even through their illness is not "cured." The "recovery" notion is based on multiple longitudinal studies that found that approximately one-third of people with schizophrenia significantly recover from their disorder and many more improve significantly.



For children and families, it has become increasingly important that the mental health care systems build on and promote resilience – the ability to adapt to change and stressful events in healthy and flexible ways. Research has found that mental health services provided to children and youth are most effective when agencies work in partnership with each other and the communities they serve. In recent years, a subtle shift in emphasis toward "communities of care" has focused on the process of strengthening positive bonds to family, friends and community as a primary route to a secure and productive adulthood.



## RECOMMENDATIONS

The study makes a number of recommendations for those who strive to improve mental health care in Colorado, including:

### AWARENESS

Build awareness and understanding among policy makers, employers and other health care decision makers regarding the extent of Colorado's unmet mental health needs and increasingly precarious funding situation. Promote the development and implementation of effective programs, reduce fragmentation in the delivery system and support the coordination and integration of services.

### FUNDING

Promote blended funding strategies that integrate funding and services for populations with multiple needs, such as the mental health, child welfare and juvenile justice systems. Also, apply the concept of return on investment instead of inflation when considering the value and effectiveness of newer and more expensive treatments.

### TREATMENT

Implement the many existing research-proven and promising programs, treatments and interventions. This requires both fidelity to what was proven, as well as targeted modification where there are cultural differences or where resources are limited, such as in rural areas.

Additionally, newer treatment concepts, such as recovery and resilience, need increased support to offer hope and strengthen positive bonds to the community, family and friends of those suffering from mental illness or emotional disorders.

### PROVIDERS

Support efforts to recruit specialized providers, such as child psychiatrists and competent providers for underserved cultural and linguistic groups. It is also important to look for strategies to extend existing resources, such as telemedicine for rural areas, additional training for primary care physicians to improve their diagnostic and prescribing practices, and training in cultural competency.

TO RECEIVE A COPY OF THE FULL REPORT, *THE STATUS OF MENTAL HEALTH CARE IN COLORADO*, GO TO [WWW.COLORADOTRUST.ORG](http://WWW.COLORADOTRUST.ORG).

TO REQUEST ADDITIONAL COPIES OF THIS HIGHLIGHTS REPORT, OR TO REQUEST PERMISSION TO EXCERPT FROM THIS PUBLICATION, CONTACT THE COLORADO TRUST AT 303-837-1200.

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