

Data Description

Provider Categories

Providers of service are classified according to the major types of services they furnish. In addition to the major types of services they deliver, providers often perform other functions. For example, a hospital primarily provides inpatient health care services, but also may operate a home health agency or nursing home wing and provide physician services through staff physicians in clinics and outpatient departments. The classification of spending is made based on the primary services provided, even though the provider may also fill other functions. The reason for this classification scheme is that providers often furnish the data used to estimate spending. These providers seldom break apart spending by function, information that would be necessary to produce a “functional” display of spending.

1. Total All Service Providers and Products

Includes hospitals, all physicians, other professionals, free-standing nursing homes, free-standing home health agencies, other personal and public health, and retail prescription drugs.

1.A. Total All Service Providers

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1.A.1. All Hospitals

Hospital care includes all billed services provided to patients by public and private general medical/surgical and psychiatric and substance abuse specialty hospitals.

1.A.1.a. General Hospitals

General hospitals are community medical/surgical and specialty hospitals (other than mental health and substance abuse specialty hospitals) providing diagnostic and medical treatment to inpatients, including inpatient psychiatric care in specialized treatment units of general hospitals, detoxification, and other MHSA treatment services.

1.A.1.a.i. General Hospitals, Specialty Units

General hospital specialty units are any general medical/surgical hospital or non-psychiatric and non-substance abuse specialty hospital that provides MH or SA treatment or detoxification in a “specialty unit” specifically designated for the treatment of patients with mental illness and/or substance use disorder diagnoses. Inpatient care in Department of Veterans Affairs’ hospitals is included in this category.

1.A.1.a.ii. General Hospitals, Non-Specialty Units

General hospital non-specialty care is any general medical/surgical hospital or non-psychiatric and non-substance abuse specialty hospital that provides MH or SA treatment or detoxification

in general units (i.e., other than “specialty units” specifically designated for the treatment of patients with mental illness or substance use disorders).

1.A.1.b. Specialty Hospitals

Specialty hospitals are establishments primarily engaged in providing diagnostic, medical treatment, and monitoring services for patients who suffer from mental illness or substance use disorders. Psychiatric, psychological, and social work services predominate at the facilities.

1.A.2. All Physicians

Includes psychiatrists and non-psychiatric physicians.

1.A.2.a. Psychiatrists

Psychiatrists include independently-billing private or group practices of health practitioners having the degree of M.D. or D.O. who are primarily engaged in the practice of psychiatry or psychoanalysis.

1.A.2.b. Non-Psychiatric Physicians

Physician services include independently billed services provided in establishments operated by Doctors of Medicine (M.D.) and Doctors of Osteopathy (D.O.), and outpatient care centers (except specialty mental health and substance abuse clinics). This category also includes services rendered by a physician in hospitals, if the physician bills independently for those services.

1.A.3. Other Professionals

Other professional services cover services provided in establishments operated by health practitioners other than physicians and dentists. These professional services include those provided by private-duty nurses, chiropractors, podiatrists, optometrists, and physical, occupational and speech therapists; for the mental health and substance abuse field, these include services of psychologists, psychoanalysts, psychotherapists, clinical social workers, professional counselors and substance abuse counselors, and marriage and family therapists. For the SSE, these are establishments primarily engaged in the diagnosis and treatment of mental, emotional, and behavioral disorders and/or the diagnosis and treatment of individual or group social dysfunction brought about by such causes as mental illness, alcohol and substance abuse, physical and emotional trauma, or stress.

1.A.4. Free-Standing Nursing Homes

Nursing home care covers services provided in private and public freestanding nursing home facilities. The ‘freestanding’ designation means that the nursing home is not based out of a hospital or other type of provider whose primary mission is something other than nursing home care. These facilities include nursing and rehabilitative services generally for an extended period of time by staffs of registered or licensed practical nurses with physician consultation or oversight. Services provided in nursing facilities operated by the U.S. Department of Veterans Affairs are also included.

1.A.5. Free-Standing Home Health

Home health care covers medical care provided in the home by private and public freestanding home health agencies (HHAs). The 'freestanding' designation means that the agency is not facility-based—that is, based out of a hospital, nursing home, or other type of provider whose primary mission is something other than home health services. Medical equipment sales or rentals billed through HHAs are included. Non-medical types of home care (e.g., Meals on Wheels, chore-worker services, friendly visits, or other custodial services) are excluded.

1.A.6. Other Personal and Public Health

Includes specialty mental health centers and specialty substance abuse centers.

1.A.6.a. Specialty Mental Health Centers

Specialty mental health centers are facilities providing outpatient and/or residential services, or some combination of those to individuals with mental and/or substance use disorder diagnoses. In most of these facilities, a physician provides medical assessments and prescribes and manages medications, usually with the assistance of a registered nurse. Most of the services provided by these facilities, however, are counseling, rehabilitation, and case management services delivered by psychologists, counselors and social workers.

1.A.6.b. Specialty Substance Abuse Centers

Specialty substance abuse centers are facilities providing either residential or outpatient services, or both to individuals with substance use disorder diagnoses. Residential facilities include residential substance abuse facilities providing residential care, detoxification, and treatment for patients with substance use disorders. These establishments provide rehabilitation, social and counseling services, supervision, room, and board, but only incidental medical services. Outpatient treatment centers and clinics, which generally do not provide residential care, include establishments with medical and/or non-medical staff primarily engaged in providing outpatient diagnostic, detoxification, and treatment services related to substance use disorders. They may provide counseling staff, information on a wide range of substance use disorder issues, and referral services for more intensive treatment programs, if necessary. In addition, the MHSAs expenditures may also include spending in establishments whose main function is something other than the provision of health or social services, and therefore falls outside of the NAICS health and social services classifications. Examples include treatment centers that are part of schools or religious facilities.

1.B. Retail Prescription Drugs

"Prescription drugs include the sales of psychotherapeutic medications sold through retail outlets such as community pharmacies; pharmacies in mass merchandise stores, grocery stores, and department stores; and mail order pharmacies. Excluded are sales through hospital, exclusive-to-patient HMOs, and nursing home pharmacies, which are instead counted with the establishment (hospital, physicians' offices, or nursing home) where the pharmacy is located.

The classifications of psychotherapeutic drugs used in this study are: antianxiety agents, sedatives and hypnotics, antipsychotics and antimaniacs, and antidepressants. In addition, two other classes of drugs are used if they have an associated mental or substance use diagnosis: central nervous system (CNS) stimulants and anorexiant, and miscellaneous CNS drugs.

Specific anticonvulsant medications have been captured if they have an associated mental or substance use diagnosis. The study also incorporated buprenorphine hydrochloride as well as buprenorphine hydrochloride/naloxone hydrochloride, used to treat opioid addiction, and acamprosate, disulfiram, naltrexone, and extended-release naltrexone for treating alcoholism.

Adjustments are made to prescription drug spending for rebates. This adjustment measures rebates that are returned to the insurer directly from the manufacturer after the pharmacy transaction takes place, thereby reducing the true cost. These rebates serve as incentives for insurers to include particular drugs on an insurer's formulary, thus helping the manufacturer increase its volume of sales."

2. Insurance Administration

Insurance administration covers spending for the cost of running various government health care insurance programs. It also covers the net cost of private health insurance (the difference between premiums earned by insurers and the claims or losses incurred for which insurers become liable). The net cost of private insurance includes claims processing costs, reserves to cover future liabilities, advertising costs, premium taxes, investor dividends, and profits of insurance companies, among other things.

Payer Categories

Private

Includes out-of-pocket expenditures, private insurance, and other private sources.

Out-of-Pocket

Out-of-pocket payments include direct spending by consumers for health care goods and services, including coinsurance, deductibles, and any amounts paid for health care services that are not covered by public or private insurance. Health insurance premiums paid by individuals are not covered here, but are counted as part of private health insurance.

Private Insurance

Private health insurance is represented in two pieces in the MHSAs spending estimates: a) benefits paid by private insurance to providers of service or for prescription drugs, or b) the net cost of private insurance, the difference between health premiums earned and benefits incurred, that is included in the category of "insurance administration." The net cost of private insurance includes costs associated with bill processing, advertising, sales commissions, other administrative costs, net additions to reserves, rate credits and dividends, premium taxes, and profits or losses, among other items.

Other Private

Other private includes spending from philanthropic and foundation sources for health care services and from non-patient revenues. Non-patient revenues are monies received by hospitals and other health care providers for non-health purposes, such as from the operation of gift shops, parking lots, cafeterias, and educational programs, or returns on investments.

Public

Includes Medicare, Medicaid, other Federal, and other State and local.

Medicare

Medicare is a Federal government program that provides health insurance coverage to eligible elderly and disabled persons. It is composed of four parts: Part A (coverage of institutional services, including inpatient hospital services, nursing home care, initial home health visits, and hospice care); Part B (coverage for physicians and other professional services, outpatient clinic or hospital services, laboratory services, rehabilitation therapy, and home health visits not covered by Part A, among other services); Part C (Medicare Advantage program providing coverage through private plans); and Part D (coverage for prescription drugs, starting in 2006).

Medicaid

Medicaid is a program jointly funded by the Federal and State governments that provides health care coverage to certain classes of persons with limited income and resources. Within Federal guidelines, State governments set eligibility standards, determine optional services provided, set reimbursement rates, and administer the program. Income and resources are only two factors in determining eligibility, so not all poor people in a State are necessarily covered by this program. Spending represents both Federal and State portions unless otherwise specified. This line also includes SCHIP spending that is administered as part of the Medicaid program.

Other Federal

Other Federal includes spending provided through the Department of Veterans Affairs and Department of Defense; treatment spending through mental health and substance abuse block grants administered by SAMHSA; and treatment under the Indian Health Service, among other Federal payers. It also includes any Federal SCHIP spending that is administered separately from the Medicaid program.

Other State and Local

Other State and local includes programs funded primarily through State and local offices of mental health and substance abuse, but may also include funding from other State and local sources such as general assistance or State and local hospital subsidies. It also includes any state and local SCHIP spending that is administered separately from the Medicaid program.

Diagnoses

Mental Health (MH) and Substance Abuse (SA) (MHSA) Diagnosis

Spending for MH and SA services measured in these accounts are defined by diagnostic codes found in the International Classification of Diseases 9th Revision (ICD-9-CM) as “mental disorders” (i.e., codes in sections 290 through 319). A subset of these “mental disorders” (dementias (290), transient mental disorders due to conditions classified elsewhere (293), persistent mental disorders due to conditions classified elsewhere (294), non-dependent use of

drugs-tobacco abuse disorder (305.1), specific delays in development (315), and mental retardation (317–319)) is excluded as being outside the scope of this project. Also excluded are cerebral degenerations (e.g., Alzheimer’s disease, 331.0), tobacco abuse, and psychic factors associated with disease classified elsewhere (316). Two pregnancy-related complications are included: complications mainly related to pregnancy—drug dependence (648.3) and complications mainly related to pregnancy—mental disorders (648.4).

The allocation to MHSA spending for services is based on principal or primary diagnosis and does not include spending associated with secondary diagnoses. The diagnostic categories selected generally reflect what payers (insurers) consider as MHSA conditions. They exclude costs not directly related to treatment, such as costs stemming from lower productivity, missed workdays, and/or drug-related crimes. They also exclude expenditures on non-MHSA conditions that are caused by MHSA problems, such as liver cirrhosis."

Mental Health (MH) Diagnosis

Includes ICD-9 codes: 295-302, 306-314, 648.4.

Substance Abuse (SA) Diagnosis

Further divided into alcohol abuse (AA) and drug abuse (DA). Includes ICD-9 codes: 291 (AA), 292 (DA), 303 (AA), 304 (DA), 305.2-305.9 (DA), 648.3 (DA).