

Effectiveness of Specialized Treatment Programs for Veterans with Serious Mental Illness: Outcomes & Costs

The treatment of persons with Serious Mental Illnesses (SMI) has been undergoing a sea change in the past 10-15 years. There has been a philosophical and policy shift toward providing treatment in the community rather than in institutions. In addition, new models of care have been introduced, ranging from rehabilitation-targeted inpatient care to intensive case management. There is a paucity, however, of empirical studies that compare the effectiveness of these new types of programs in meeting the resource-intensive needs of people with serious and persistent mental illnesses. The Serious Mental Illness Treatment Research and Evaluation Center's comparison of the effectiveness of specialized treatment programs begins to address this lack of research. As healthcare systems—including the Veterans Health Administration (VHA)—move to a managed care orientation that emphasizes outpatient care, it is particularly important to conduct research to examine how various types of inpatient and outpatient services might contribute to an optimal mix of services, a continuum of care that improves patient outcomes and minimizes costs.

Special funds were appropriated by Congress in 1991 for the VHA to implement community-oriented demonstration projects for veterans with serious and persistent mental illnesses. The goal of these demonstration projects has been to prepare mentally ill veterans with the most serious diagnoses and highest utilization of inpatient services for discharge to the community and to support them in that environment.

The Serious Mental Illness Treatment Research and Evaluation Center (SMITREC) has conducted a study to determine the effectiveness of four VHA psychiatric treatment programs: standard inpatient care, specialized inpatient rehabilitation, day treatment, and intensive community case management. At this stage, initial and three-year follow-up clinician data at the point of analysis are available on 861 patients at a 68% follow-up rate. (SMITREC is currently collecting four-year responses.) The sample included seriously mentally ill veterans with schizophrenia (n=711 / 82.6%), bipolar disorder (n=82 / 9.5%), other mood disorders including major depression with psychosis (n=46 / 5.3%), and organic psychosis: n=22 / 2.6%. Initial and three-year patient interviews were obtained from 86% of the 861 patients.

A number of variables—service utilization data, Brief Psychiatric Rating Scale (BPRS) scores, Global Assessment of Functioning (GAF) scores, Quality of Life Scale scores, and cost data—were examined in comparing the program types. In general, clinical outcomes were improved for veterans in specialized programs as compared to standard inpatient care. Participation in the case management and inpatient rehabilitation programs corresponded with reductions in symptoms measured by the BPRS, while participation in standard inpatient care or day treatment programs resulted in unchanged or worsened symptoms. Differences were also seen in service utilization. While the number of inpatient hospital days per year decreased for all patients in the study, assignment to enhanced treatment programs resulted in substantially higher reductions. Standard inpatient care resulted in a reduction of 16 percent, and assignment to intensive case management, day treatment and STAR II inpatient rehabilitation programs resulted in reductions of 85 percent, 64 percent, and 44 percent respectively. In addition, differences between programs arose in a comparison of costs over five years. The intensive case management and day treatment programs had significantly lower costs than the standard inpatient care and STAR II inpatient rehabilitation programs. With costs declining for all programs over the period studied, the reduction in costs for the enhanced programs exceeded that of standard inpatient care. While costs for standard inpatient care declined by 19.1 percent, costs for veterans in intensive case management declined by 21.1 percent, costs for veterans in STAR II inpatient rehabilitation programs declined by 26.8 percent, and costs for veterans in day treatment programs declined by 32.1 percent.