The Cost-Effectiveness of Intensive Psychotherapy

**Longer term and intensive psychotherapies are cost-effective...**

- Long-term treatment is associated with reductions in hospital days, medical consultations, medication users, and in days of sick leave.

- These savings are still apparent years later; the “break-even point for benefits and treatment costs was approximately three years after treatment termination.”

- Patients in poorer neighborhoods ... incur increased overall expenses in emergency care and hospitalization, by more than is saved in outpatient costs.

- "Health insurance records show evidence of a lasting and remarkably stable reduction in work absenteeism and a low level of inpatient treatments.”

- Countries with centralized government-controlled single payer medical programs which have experimented with limitations to outpatient psychotherapy find a resulting increase in their overall medical, emergency and hospitalization budgets.

**...because they are effective.**

There is a significant body of research confirming the equivalent efficacy of psychodynamic psychotherapy to cognitive behavioral approaches and its superior usefulness for chronic patients with interpersonal difficulties.

**And likely more effective than cognitive-behavioral approaches, especially over the long term, as CBT treatments are ineffective for many.**

- Brief manualized CBT trials are generally conducted with subjects with the sole diagnosis under investigation and are not typical of most psychiatric patients who have more complex conditions and frequent comorbidity.

- Reviews of manualized brief treatments for depressive and anxiety disorders have found only short-lived benefits:
  - More than half in patient cohorts seeking treatment again within 6 to 12 months,
  - Most required more therapy to achieve remission
  - A full 75% did not get well.
o “Brief, “evidence-based’ therapies are ineffective for most people most of the time.”\textsuperscript{3}
o Study design flaws and publication bias also undermine claims of “findings of efficacy.”\textsuperscript{4,5} Such studies undermine the relevance of such therapies to most patients’ clinical needs or appropriateness in shaping policy or insurance coverage protocols.

**Individuals with behavioral health diagnoses have disproportionately high healthcare costs.**

- They account for the majority of healthcare spending dollars.
- Average annual costs for their medical/surgical treatments are 2.8 - 6.2 times higher than costs for those without behavioral health diagnoses.

**But these expenditures are NOT for mental health care!**

- Half of those in the high-cost behavioral subgroup spent less than $95/year on mental health services.
- Half of those with any behavioral health diagnosis spent less than $66/year on mental health services.

**People use extended psychotherapy because they need it. They are not in treatment to take unnecessary advantage of any overly generous insurance benefit.**

- Long term psychotherapy is not an elective treatment. Even decades ago, when long-term therapy was more available and supported, the patients who used it were more distressed, in poorer general health, had higher general medical costs and more functional impairment, and were more likely to use psychotropic medication and to have a psychiatric hospitalization than short-term therapy patients.\textsuperscript{6,7}
- Currently, mental health spending constitutes only 4.4% of total health care spending.
- The Rand Health Experiment found that even when psychotherapy is free, 4% of an insured population access it and the average length of care is 11 sessions.\textsuperscript{8}
- *A higher cost burden for outpatient psychiatric care turns away very ill patients who most need treatment, but then must forego it.\textsuperscript{9,10}

**Who requires extended psychotherapy?**

- Those with chronic severe anxiety and depression, personality disorders, and multiple chronic psychiatric disorders, who are extremely costly to society in unemployment, high rates of drug problems, interpersonal problems, suicide attempts, child abuse, criminal behavior and heavy use of health care.
• All of these chronic patients require more than brief treatment and can improve with extended psychotherapy in which longer duration and increased frequency have independent positive effects on outcome.\textsuperscript{19-23}

• A lack of appropriate support for psychotherapy leads to insufficient treatment and is a hidden multiplier of morbidity, disability, and overall health care expenses compared to those without psychiatric illness.\textsuperscript{24-26}

\textbf{The short budgetary horizons of insurance companies likely discourage them from viewing psychotherapy as a crucial aspect of cost-effective preventive care.}

• Wage and salaried workers change jobs increasingly frequently so that the duration of an average subscriber’s time with a particular employment-based private insurance company has been declining (from 4.6 years in 2014 to 4.2 years in 2016\textsuperscript{38}).

• Insurance companies focused on their own immediate cost savings have little interest in the eventual cost-offset provided by comprehensive treatment. Nor are they concerned about future increased medical costs that will fall on other parties, or the ongoing illness and disability resulting from inadequate treatment for the large cohort of patients who need more.

In sum, it is short-sighted in the extreme, and in violation of the contractual and legal obligation to the subscriber for an insurance program, to limit care that results in greatly increased medical costs in addition to the increases in disability, lost lives, and patient suffering that ensue.

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References