

POLICY & PRACTICE

**Mental Health Parity Progress**

The House of Representatives last month passed its version of a bill that would put mental health coverage on equal footing with benefits for physical conditions. The Paul Wellstone Mental Health and Addiction Equity Act (H.R. 1424) passed 268-148; it now has to be reconciled with a Senate bill that was put on hold in 2007 (see related Guest Editorial on p. 8). The House legislation also included the Genetic Information Nondiscrimination Act, which was reported out of a Senate committee in April 2007. There are sticking points between the House and Senate, however. The House would pay for coverage by increasing drug manufacturers' rebates to Medicaid and by limiting physician ownership of specialty hospitals. The Senate bill was silent on funding. Advocates were optimistic that an agreement was close, after 10 years of lobbying. Dr. Carolyn Robinowitz, president of the American Psychiatric Association, said in a statement that untreated mental illness costs \$200 billion a year in lost productivity and increased burdens for public programs. "The costs of not passing parity legislation are too high to ignore," she said. The House bill would require insurers to have "fairness" between copays, deductibles, and coinsurance for mental and physical illnesses; treatment limitations would also have to be equitable.

**MD Mental Health Visits Frequent**

In 2005, Americans went to see a physician more often for depression and other mental health issues than for back problems, high blood pressure, and trauma-related reasons, according to the Agency for Healthcare Research and Quality. There were 156 million physician office visits for depression and mental health problems, making it one of the top three reasons why Americans sought treatment in 2005, said AHRQ. Mental health visits increased 30% from 1996 to 2005, according to the agency. The same year, there were 139 million visits for back problems, 79 million for hypertension, and 133 million for trauma, such as fractures. The data come from the Medical Expenditure Panel Survey.

**Suicide Tops Violence Admissions**

Suicide attempts and self-injury accounted for the greatest portion of violence-related treatment at hospitals in 2005, according to another AHRQ report, "Violence-Related Stays in U.S. Hospitals, 2005." Sixty-six percent of violence-related admissions were for attempted suicide or self-injury, according to the report. Half of those admitted for self-injury had overdosed or purposely mixed drugs. Thirty-one percent of violence-related admissions were for attempted murder, fights, rape, or other assaults. Only 4% were for sexual or other abuse. Children accounted for half of the abuse cases. Violence-related admissions cost \$2.3 billion in 2005; 27% of the admissions were Medicaid patients, and 23% were uninsured.

—Alicia Ault

**Rx Abuse Worries Americans**

Prescription drug abuse is as big a problem as illegal drug abuse, said respondents to a Wall Street Journal/Harris Interactive health care poll conducted in late February. Slightly less than half of those surveyed said they keep prescription medicines in a place where others can't access them. Seventy percent said they were somewhat or very concerned about the risk of addiction associated with some prescription pain medications. The vast majority of the 2,027 adults surveyed voiced the same level of concern about side effects and potentially harmful interactions between pain medications and other prescriptions. About 60% said they discuss other prescriptions they are taking when prescribed a new medication.

**Woodcock Named CDER Head**

Dr. Janet Woodcock has been named director of the Food and Drug Administration's Center for Drug Evaluation and Research. Dr. Woodcock, a rheumatologist, served as director of CDER in the 1990s and has been acting director since October 2007. The drug industry's chief lobbying group, PhRMA, welcomed the appointment. Dr. Woodcock "has demonstrated willingness to work with diverse partners, including researchers, Congress, the White House, patients and pharmaceutical research companies," said a statement from the group. But Dr. Sidney Wolfe, director of Public Citizen Health Research Group, said in an interview that he's "not terribly hopeful" that Dr. Woodcock will lead the center well, because she doesn't like conflict and controversy. "I don't think she's the kind of CDER director we need right now," Dr. Wolfe said. "She's aware of a number of drugs on the market that should be taken off the market, but I don't think she has the fortitude to do something about it."

**FDA Would Expand Promotion**

The FDA last month proposed guidance to let drug and medical device makers distribute medical or scientific journal articles and reference publications on unapproved uses of their products. Drug and device makers had been allowed to disseminate such materials under guidelines set by the FDA, but that authority expired in September 2006. The FDA's new "Good Reprint Practices" proposal requires the article or reference to be published by an organization that has an editorial board and fully discloses conflicts of interest. In addition, articles should be peer reviewed, and manufacturers should not distribute special supplements or publications funded by product manufacturers, or articles not supported by credible medical evidence. Rep. Henry Waxman (D-Calif.), chairman of the House Committee on Oversight and Government Reform, blasted the proposal, which he said in a statement "is great news for the drug industry but terrible for the public health."

Latest Figures Put Diabetes Costs at \$174 Billion Yearly

BY ALICIA AULT  
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WASHINGTON — At least 24 million Americans have diabetes, which cost the nation \$174 billion in direct and indirect expenditures in 2007, according to the American Diabetes Association.

The ADA released data that were compiled from a variety of mostly federal sources, including the National Health Interview Survey, the National Health and Nutrition Examination Survey, and the Medical Expenditure Panel Survey. The Lewin Group conducted an analysis of that survey data for the ADA, drawing from the medical, public health, and economics literature.

The report currently does not split costs and incidence according to type of diabetes; those data will be available in a few months, said lead author Tim Dall, at a briefing on the analysis for congressional staff members and reporters.

According to the analysis, the cost of the disease has risen 32% since data were last tabulated in 2002. And the \$174 billion figure is likely to be conservative because it doesn't include the approximately 6 million Americans with undiagnosed diabetes, said Ann L. Albright, Ph.D., president of health care and education at the ADA, at the briefing.

The cost estimate also does not include all of the expenses related to diabetes, such as over-the-counter medications or office visits to nonphysician providers other than podiatrists (such as optometrists or dentists).

"The findings reaffirm that diabetes is a public health crisis and its implications are painful and far reaching," said Dr. Albright, who is also the director of the division of diabetes translation at the Centers for Disease Control and Prevention. "This underscores the importance of early diagnosis and treatment," she said.

According to the analysis, 17.5 million Americans have been diagnosed with diabetes, up from 12.1 million in 2002. The diabetes population is growing by about 1 million people a year, driven by the aging

of the population, more obesity, better detection, decreasing mortality, and growth in minority populations with higher rates of the disease, according to the study, which will be published in *Diabetes Care* in March (2008;31:1-20).

Most people with diabetes are insured, with their costs covered primarily through government programs. About 8.5 million diabetics are Medicare beneficiaries. Two million are uninsured and a third of those are undiagnosed, estimated the authors.

On the medical expenditure side, the total direct costs were an estimated \$116 billion, with \$27 billion for direct treatment, \$58 billion for chronic complications, and \$31 billion in "excess" general medical costs. The largest component of medical spending was for inpatient hospitalization, accounting for \$58 billion. The inpatient costs for diabetes-related chronic complications—such as neurologic, peripheral vascular, cardiovascular, and renal—are higher than for diabetes-specific hospitalizations, at \$2,281, compared with \$1,853.

Diagnosed diabetics have medical costs that are two times higher than they would be without the presence of the disease.

Their expenditures average \$11,744 a year, of which \$6,649 is attributable directly to diabetes.

The indirect costs—pegged at \$58 billion—include increased absenteeism, reduced productivity while at work and reduced productivity for those not in the labor force, unemployment from disease-related disability, and lost productive capacity because of early death. According to the study, there were 284,000 deaths related to diabetes in 2007.

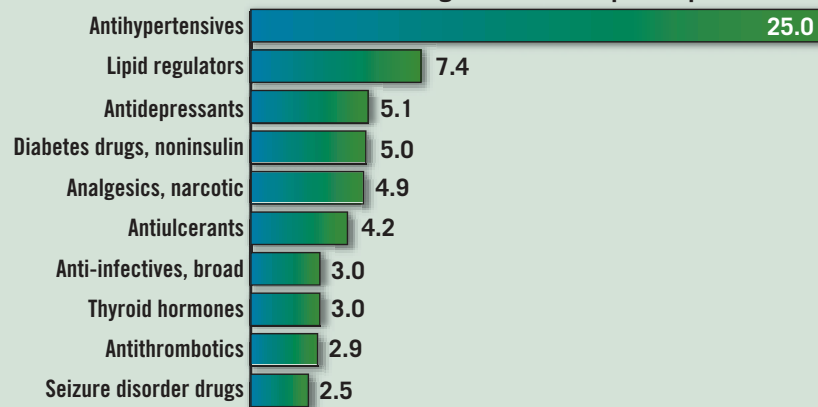
The authors said that while it appears that the disease's burden falls mostly on insurers, employers, and people with diabetes and their families, "the burden is passed along to all of society in the form of higher insurance premiums and taxes, reduced earnings, and reduced standard of living."

Diabetes affects just under 1 in 10 people, and thus "directly or indirectly touches everyone in society," they wrote. ■

DATA WATCH

Medicare's Top 10 Therapy Classes in 2006

Percentage of all Part D prescriptions



Source: IMS Health