
A New Solution for Workplace Behavioral Health Issues

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This proposal describes a new approach to the delivery of behavioral health services in the workplace. Developed by TAP-IN Partners™, this innovative strategy involves actively reaching out to troubled employees who have the greatest need. By targeting those employees whose personal problems are most negatively impacting their work performance, this new approach yields a greater return-on-investment to the organization than traditional approaches.

With the Mental Health Parity and Addiction Equity Act taking full effect in January of 2010, now more than ever before, organizations need to have a proactive behavioral health program in place to manage possible adverse impacts on overall healthcare benefits costs. TAP-IN Partners™ can provide an effective program to manage these potential costs. Further, because of its utilization-based pricing model, TAP-IN Partners™ can deliver these services at less cost than what most organizations are currently paying for their workplace behavioral health programs.

What Is the Prevalence of Behavioral Health Problems in the Workplace?

Based on national epidemiological studies, an estimated 40% of the U.S. population will experience mental health or substance abuse disorders at some point during their lifetime.^{1,2} National prevalence data for several specific kinds of disorders in the workplace indicate that:¹⁻⁹

- An estimated 9% of employed people suffer from alcohol abuse or dependence.
- Approximately 8% of workers engage in illicit drug use or prescription drug abuse on a regular basis.
- Depression and mood disorders affect an estimated 9% of the American workforce.

- 11% of employees suffer from serious anxiety disorders, such as panic attacks, obsessive-compulsive disorders, post-traumatic stress syndrome, and phobias.

In addition, co-occurrences between different kinds of mental health disorders, and between mental health disorders and substance abuse, are very common, which further increases the likelihood that these personal problems will adversely impact job performance.⁵⁻⁹

Altogether, approximately 30% of working adults meet criteria for requiring professional care for mental health disorders or substance abuse each year.

What Is the Workplace Cost of Behavioral Health Problems?

Most business leaders now recognize the critical role that mental health factors play in the overall success of their companies. A recent survey of senior human resources executives, for example, found that mental health conditions are now considered the number one driver of indirect business costs, such as lost productivity, employee absence, and turnover.¹⁰

Research studies have found that the impact and cost of behavioral health disorders in the workplace can be quite significant:¹¹⁻¹³

- Employees with serious behavioral health problems are off on paid sick leave twice as much as the company average.
- Workers who suffer from mental health disorders, such as depression, have between 80% to 100% more disability days off work.
- On-the-job injuries are 40% more likely among those working individuals with serious mental health, alcohol, or drug problems.
- Employees with substance abuse receive 3 to 5 times as many suspensions as other employees.

A recent international study of the direct and indirect costs of nine common mental health conditions found that the bulk of all costs (85%) were related to work productivity losses.¹⁴ For depression alone, the indirect costs due to just presenteeism and absences have been estimated at over \$44 billion to the U. S. economy.¹⁵

Why Are Current Workplace Programs Not Sufficient?

Employee assistance programs (EAPs) are one type of program designed to address behavioral health problems in the workplace. Less than 4% of employees, however, typically use their EAPs each year.^{16,17} Moreover, most individuals who seek help at these programs do so for mild to moderate problems that cause acute stress (e.g., family/marital issues, legal problems, financial concerns), rather than for serious mental health disorders and substance abuse.^{16,17}

National norms drawn from the EAP Data Warehouse™, which is a database of key performance metrics on a wide range of EAPs from around the country, confirm that these programs do not typically reach the high-risk/high-cost employees:^{16,17}

- An average of only 1.6 clients per 1000 covered employees access the EAP each year for help with an alcohol problem.
- Less than 0.5 employees per 1000 use an EAP's services for a drug issue.
- The utilization rate for employees with depression is approximately 9.5/1000.
- The EAP usage rate for workers who have anxiety disorders is 8.2/1000.

Overall, fewer than 25% of employees who seek help from an EAP have a serious substance abuse or mental health disorder, which is less than 1% of the total employee population.¹⁸

What Is the Unmet Need for Behavioral Health Treatment?

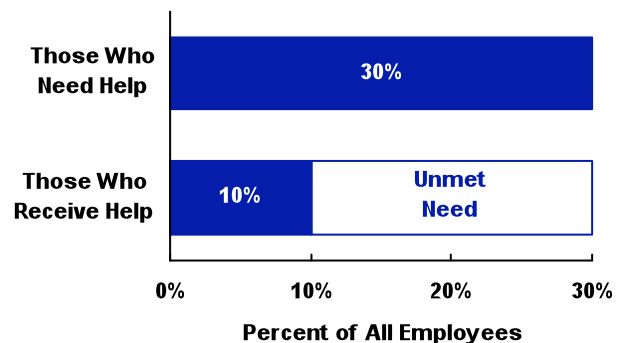
Most organizations today offer health insurance and benefits plans that provide some type of coverage for mental health and substance abuse treatment. National studies of treatment claims related to behavioral health disorders, however, indicate that only an estimated 8% of covered

employees utilize their health care benefits in a given year for these kinds of problems.

Combining all of the sources through which employees can seek help, including EAPs, only approximately 10% of the workforce actually receive care each year for mental health disorders and substance abuse.

Continuing with the current workplace approaches to mental health and substance abuse is not enough because these approaches are simply not reaching substantial numbers of those employees who need help. As a consequence, organizations are continuing to pay the price through lost productivity, absenteeism, and other workplace costs.

As stated earlier, approximately 30% of the U.S. workforce is in need of treatment for serious behavioral health problems. Given that only 10% receive care for these problems, this means that two-thirds (67%) of employees who are in need of appropriate care do not receive it.



What Can Be Done to Address the Unmet Need for Workplace Services?

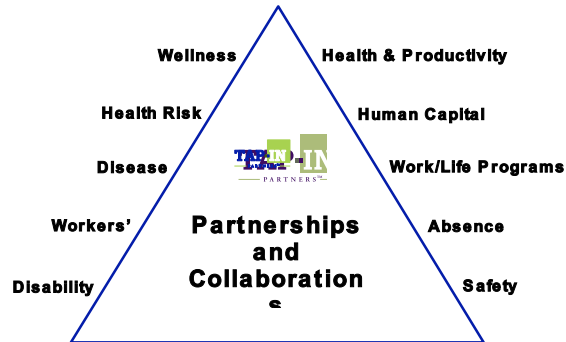
TAP-IN Partners™ has developed an innovative new approach using those services that are most likely to identify and successfully treat high-risk employees who have serious mental health and substance abuse problems:

- Training of supervisors, managers, and leaders on early identification and referral of employees who may have personal problems that are affecting work performance.
- Education and wellness programs targeting employees who might be at risk for serious mental health and substance abuse issues.

- Outreach activities that specifically focus on the serious behavioral health problems, such as alcohol abuse, drug misuse, depression, and so forth.

Depending on an organization’s desired level of investment in dealing with workplace behavioral health issues, TAP-IN Partners™ can also provide partnering and collaboration strategies for assisting troubled employees, such as:

- Consulting with the disability benefits manager on those disability cases that might have behavioral health involvement.
- Participating in disease management cases that have co-morbid mental health or substance abuse disorders.
- Training of personnel who are providing an organization’s health risk appraisals (HRAs) on how to refer employees identified as high-risk for behavioral health problems.
- Collaborating with absence management programs to identify and refer employees who have excess absenteeism that might be related to personal problems.



What Is the Anticipated Return-on-Investment (ROI) for these Services?

Research studies have shown that behavioral health treatments can produce significant positive workplace outcomes.¹⁹⁻²² For example:

- Reductions in employee absenteeism.
- Decreases in presenteeism and improvements in employee work productivity.
- Increases in retention of valued employees and avoidance of costs associated with turnover.

- Decreases in the number of disability claims and reductions in the duration of time off work on disability.
- Lower medical and physical health claims costs as a result of successful behavioral health treatment.

Most researchers and industry experts now believe that enough solid evidence exists to “make the business case” for providing high quality mental health services for employees.²³⁻²⁶ Most ROI analyses produce a result of \$3 dollars or more in financial return for every \$1 dollar invested in these services.^{20,25,26}

For example, to reduce the length of time that one employee stays on a short-term disability claim by just one week yields approximately \$3,500 in value from avoided further lost salary (40 hours X \$25 hourly rate = \$1,000) plus avoided further lost productivity (40 hours X \$50 hourly rate of productivity value = \$2,500). And, this does not include potential savings in health care claims costs and other workplace factors.

Some actuaries estimate the cost of replacing a lost employee is between \$4,000 to \$14,000 for an hourly employee, up to \$40,000 for a manager, and even more for a senior level employee.²⁷ Thus, to keep an employee on the job, or to bring him or her back successfully after a behavioral health disability, is worth many thousands of dollars in avoided lost costs to the organization.

Why Is TAP-IN Partners™ Uniquely Qualified to Deliver these Services?

TAP-IN Partners™ is uniquely qualified to provide this new workplace behavioral health approach because all of its professional staff are licensed doctorate-level psychologists, coaches, and consultants who can provide the core services essential for success:

- Comprehensive and systematic mental health and substance abuse assessments to make sure these problems are identified and to determine the appropriate care.
- Short-term counseling and treatment by specialists in behavioral health disorders.

- Referral to intensive and long-term treatments as necessary to maximize successful resolution of problems.
- Intensive follow-up of mental health and substance abuse cases, with long-term aftercare and monitoring as needed.
- Collaborative case management and follow-up with referring agents and partners as appropriate.

How Much Will these New Workplace Services Cost?

In contrast to the capitated pricing of most traditional workplace behavioral health programs, TAP-IN Partners™ employs utilization-based pricing. This fee-for-service model allows each company to decide on the level of investment it wishes to make in its workplace behavioral health strategy.

With utilization-based pricing, an organization pays only when requested services are provided. For example, one company might choose, in addition to the core services, to collaborate with TAP-IN Partners™ on a disability work re-entry program. Another company might have additional need for behavioral risk assessments or for training for its health risk appraisal (HRA) organization on how to refer and follow-up with high-risk cases.

Each company pays only for the unit hours necessary to accomplish its identified goals. TAP-IN Partners™ works closely with each organization to help establish these utilization goals and to implement an effective strategy that matches the organization's greatest needs. TAP-IN Partners™ allows each company the flexibility to determine its level of spending, depending on specific needs and desired level of investment.

Clearly, mental health disorders and substance abuse problems are pervasive in the workplace and unnecessarily drain companies of cash through indirect and direct business costs. Just as clearly, existing approaches to handling serious behavioral health problems have not been successful in reaching and helping the majority of these employees.

TAP-IN Partners™ has developed a new focused approach that serves to help both those troubled employees with the most need and an organization's bottom line. TAP-IN Partners™ is ready to design and implement an effective program that will fit the needs and budget of each organization.

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