

EDITORIAL

FINANCIAL IMPLICATIONS WITH PSYCHIATRIC DISORDERS

Cost of the mental disorders is one of the most neglected aspects of psychiatric treatment. No doubt, better facilities and better management techniques are pouring in day by day, but what about one's affordability. Can one get better facilities for lesser money, how much money are we spending on health care and who should pay for health care are the questions to be answered.

As multinational companies are creeping in our country, time is not far away when drug patency rule may be followed in our country. One can not imagine that a poor schizophrenic farmer would be able to afford antipsychotics worth Rs.100 or even more in a day. It is high time that one should start thinking about researches aimed at cost of illness and reducing burdens of others, so that government may formulate policies for future. Over the past 25 years, health care expenditures have been growing at a rate double that of consumer price index. Health care, as a percentage of GNP has increased from 6% to 12% today in USA and is projected to reach 17% by year 2000. Several large scale studies on the cost of mental illness have been undertaken since the first estimate was published by Rashi Fein(1958) in a monograph prepared for the commission of mental illness.

A large scale aggregate cost of mental illness study by Rice et al. conducted in 1990, 1991, calculated the economic burdens for the year 1985 in USA. This 1985 estimate was subsequently updated to 1990 by same authors in 1993. The societal burden of mental illness was estimated to be 147.8 billion US\$.

A proper societal burden, means all resources used to treat illness, resources lost due to premature death or reduced productivity, hours spent by family members who otherwise would have been doing something productive. In a cost of illness study conducted from a societal

perspective, the so called transfer payments (e.g. disability payments, cash assistance, subsidised housing financed through tax resources) are not counted, since in this case existing resources are being transferred from one sector of society to other.

In India, recently there has been a study on social cost of alcoholism by Velayudhan et al.(1998) keeping in fact that there has been a rapid and noticeable increase in the rates of alcohol use in the population. In the absence of social welfare system, it is difficult to estimate the exact cost of morbidity but an attempt had been made by the authors. Study which was done on 113 patients concluded there was a low of Rs.13823.62 per person per year in terms of forgone productivity. Although state earns a huge revenue by taxation on alcohol but net losses in form of incurred loans, lost jobs, loss of family support, payment made for mental health problems and child labour to supplement family income outweighed the profits earned by the state. Alcoholism is different from other psychiatric disorders because in alcoholism besides the loss in job the patient also spends in procuring of addictive substances. More important will be cost analysis of psychiatric disorder like schizophrenia, affective disorders and other psychiatric disorders. In this very issue another study on issues of comparability costs regarding drug treatment in schizophrenia by Girish K. et al. (1999) is being published. The authors have emphasised that most antipsychotics are affordable, however, treatment expenditure of comorbidity, side effects and cost of consultation including travel add to the burden. The cost analysis for the treatment of schizophrenia should include a broad range of direct and indirect outcomes rather than focussing on direct medical costs of alternative therapies. It is also being emphasised

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in the article that there should be systematic procedures for monitoring and enforcing guidelines for economic evaluation.

Studies done on cost of illness have concluded that the estimates developed could be useful in selecting priorities for medical research and health services. However, very little attention has been given to how this prioritisation might actually be implemented.

The causes of severe cost inflation are complex and numerous but several factors predominate. Although the cost of most goods and services increase over a period of time but the health care costs increase in excess of general inflation. Medical care has become increasingly sophisticated with a growing number of available tests and treatment. As medical care has become more successful than in the past, people are living longer, the extension of life and epidemic of chronic illness also contribute to rising cost. The demand for latest medical care and its price, must also be factored in.

In our country bulk of payment is provided by fee for service basis and also bulk of population does not have incentives of reimbursement facilities. In developed countries almost all the medical bills are paid by Insurance Companies and other third party payers. In USA, medicare, medicaid, state hospital & community systems and veteran affairs are important third party payers under public sector while Blue Cross-Blue Shield insures about half the private insurance coverage. Rising of mental health care costs is a certainty in near future but what will be the mode of payment is a big question?

There is no way that these and many other problems surrounding the affordability of treatment, mode of payment and total amount

of money spend on mental health care can be resolved quickly but accumulation of insights from practice and research is the only constructive way to build up strategies and tactics in this difficult field.

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