



A new series of bimonthly updates to Congress on **RAND**'s work in health policy

HOT TOPICS

Mismatch of Needs and Capacity for Expanding Public Health Insurance Programs

Expanding public health insurance programs is one way to provide coverage to most of the nation's uninsured. But how much will this expanded coverage cost? How should new public programs be financed? How will benefits be distributed? Can expanding insurance be left up to the states?

Experts in **RAND Health** have explored these and related issues in a series of studies. The bottom line: The states that most need to expand insurance coverage have the smallest capacity to do so. As a consequence, a strategy that relies on incremental, state-by-state action is likely to leave the nation with significant lingering gaps in health care coverage. Some states may need targeted federal assistance—for example, a program like CHIP, which provides federal matching funds to help states implement expanded coverage.

For a summary of these studies: <http://www.rand.org/publications/RB/RB4527/>

Medicare Beneficiaries Need Prescription Drug Coverage

Medicare beneficiaries account for more than 36 percent of total outpatient drug expenditures, but Medicare is the only large health insurance carrier that does not include an outpatient prescription drug benefit. Alternatives to add such a plan range from a prescription drug plan with no deductible that would cost \$11–14 billion a year to a catastrophic plan that would be less costly. **RAND Health** looks at a number of alternative plans and concludes that implementing a catastrophic prescription drug benefit would allow policymakers to gauge future program costs before committing to more comprehensive coverage.

For a summary of this work: <http://www.rand.org/publications/MR/MR1529.0/MR1529.0.pdf/execsum.pdf>

Breakthrough in Depression Care: Striking Results Achieved in Typical Managed Care Settings

Over the next decade, depression is expected to become the second-leading cause of disability worldwide. About 10 to 20 percent of all primary care patients have significant symptoms of depression and require further assessment and patient education. About 5 to 6 percent of primary care patients are clinically depressed and require antidepressants

or psychotherapy. National clinical guidelines define appropriate treatment strategies for this highly treatable condition, but studies over the past decade have consistently found that fewer than one-third of depressed patients receive appropriate treatment.

It doesn't take expensive, elaborate treatment protocols or highly trained specialists in academic settings to make a big difference in the mental health, daily functioning, and job-holding ability of depressed patients. Major progress along these lines can be made in everyday clinics when managed, primary care practices implement modest, practical programs to improve opportunities for quality depression care.

For a summary of this work: <http://www.rand.org/publications/RB/RB4528/>

Better Depression Care Pays Its Own Way

These programs for improving quality of depression treatment in primary care clinics may pay their own way. The programs improve patients' health and quality of life. But in addition, patients in the programs worked more than patients who received usual care. For most patients, the income from the extra employment (versus being unemployed) would be substantially more than the program's cost.

For a summary of this work: <http://www.rand.org/health/online.sum/depresscosts.pdf>

FORTHCOMING STUDIES

- Projections of future Medicare costs: Rising disability among the young
- Mental health consequences of terrorism: Follow-up of an assessment conducted immediately after 9/11
- Modeling a smallpox epidemic: Examining the effects of control strategies

PROJECTS UNDER WAY

- The latest innovations in pharmaceutical benefit design and their effects on costs
- Projections of future Medicare costs: Effects of innovations in medical technology
- First national report on quality of care
- HIV+ parents and their children: Custody, guardianship, and parenting

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