

Science Update  
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# Health Care Costs Much Higher for Older Adults with Depression Plus Other Medical Conditions



Medicare participants who have diabetes or congestive heart failure as well as depression have significantly higher health care costs than their counterparts who do not have co-existing depression, according to a recent NIMH-funded analysis published online ahead of print January 16, 2009, in the *Journal of the American Geriatric Society*.

## Background

Jürgen Unützer, M.D., MPH, of the University of Washington, and colleagues analyzed Medicare claims of 14,903 participants for a 12-month period between November 2004 and August 2006. The participants were enrolled in a pilot Medicare disease management program called Medicare Health Support, operated by Green Ribbon Health in Florida. The majority of participants had diabetes. Many had congestive heart failure. About 20 percent had both.

The researchers compared health care costs for three groups—

- 2,108 participants who had been diagnosed with depression,
- 1,081 participants not officially diagnosed with depression but who screened positive when given a questionnaire or who reported taking antidepressant medication, and
- 11,713 participants who did not have depression.

## Results of the Study

Over one year, participants diagnosed with depression incurred about \$22,960 in total health care costs, while those without depression incurred costs of about \$11,956. Those with possible depression, based on depression screening or reported antidepressant use, incurred \$14,365.

Participants with diagnosed depression spent significantly more in nearly every health care cost category, including home health care, skilled nursing facility costs, outpatient care, inpatient care, physician charges, and medical equipment. However, they did not spend more money on specialty mental health care compared to their non-depressed counterparts. Mental health care costs accounted for less than 1 percent of total health care costs.

## Significance

The results indicate that among these Medicare beneficiaries with chronic medical illness, those who also have depression have significantly higher health care costs. Moreover, many in this high-risk group are not getting needed mental health care, the researchers said. The researchers theorize that the higher Medicare cost-sharing associated with outpatient mental health care—50 percent compared to 20 percent co-payments for medical services—may be a major obstacle to such care. In addition, older adults may be less likely to seek mental health care if they perceive a stigma associated with it. The researchers conclude by suggesting that improving mental health care for this population may help decrease overall medical costs.

## What's Next

The results echo findings of other studies that have found health care costs tend to be higher for people in managed care situations who have depression. More research is needed to better understand the barriers to care, and efforts are needed to improve the quality and access to mental health care for older adults in managed care situations.

## Reference

Unützer J, Schoenbaum M, Katon W, Fan M, Pincus H, Hogan D, Taylor J. [Health care costs associated with depression in medically ill fee-for-service Medicare participants](#). *Journal of the American Geriatric Society*. Published online ahead of print Jan. 16, 2009. PMID: 19175438