



State Comptroller and Ombudsman  
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Ministry of Health

# **Reform for the Transfer of Responsibility for Insurance in Regard to Mental Health**

Abstract



# Reform for the Transfer of Responsibility for Insurance in Regard to Mental Health

## Abstract

### Background

In July 2015, the third mental health reform came into effect, focused on the transfer of insurance coverage from the State to the four Health Maintenance Organizations: Klalit, Maccabi, Meuhedet and Leumit. Until then, the State provided the services primarily in psychiatric hospitals and mental health clinics. The goals of the reform include, inter alia, expanding the accessibility and availability of services, improving the quality of the treatment and reducing the stigma attached to mental health patients. In 2018, the reform budget of NIS 2.3 billion was based on a treatment target of 4% of all adults and 2% of all children (up to the age of 18), based on an average of 9 treatment sessions (hereafter - contacts) per adult and 12 per child.

### Key figures

**18%**

Of the world's population suffer from depression or anxiety during their life

NIS **400** million

was given to Health Maintenance Organizations as a supplement to the Mental Health Budget as part of the reform (as of 2018)

**150** days

The average waiting time for psychotherapy treatment for adults and children in 2018

**27%**

Of the contacts budgeted for under the reform in 2017 - some did not take place and others are a matter of dispute between the Ministry of Health and the Health Maintenance Organizations

NIS **142**

The insured's deductible for an appointment with an independent psychotherapist; monthly cost of about NIS 570

**400** jobs

Of psychotherapists are missing in Government and Health Maintenance clinics


**280** jobs

About 80 positions of psychiatrists are not staffed and about 100 are missing in psychiatric and general hospitals; about 100 additional psychiatrists are missing in Clalit's hospitals and in the various HMO clinics

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## Audit Actions

 From February to October 2019, the State Comptroller's Office reviewed the reform by which the responsibility for mental health services was transferred, including examinations of: the ambulatory<sup>1</sup> service provided to patients; the budgeting aspects of the reform; the examination of its implementation by the Ministry of Health; the accounting between Health Maintenance Organizations and hospitals; and aspects of personnel in the field. The examinations were conducted mainly at the Ministry of Health, at the four Health Maintenance Organizations, and in some psychiatric hospitals.


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## The Situation Reflected in the Audit Findings

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-  Waiting times for sorting - diagnosis ("intake") and continued psychiatric and psychotherapeutic treatment may be extremely long, up to a waiting time of 12-16 months. This may harm patients, aggravate their mental state, cause harm to their family and immediate surroundings and diminish the effect of treatment.
  -  The Health Maintenance Organizations did not develop a system for home visits to patients, did not establish crisis teams and did not give create a proper response for emergency situations. The attempt to arrange an immediate response to emergencies using MDA has not been advanced.
  -  The Health Maintenance Organizations do not employ psychotherapists to a sufficient extent, which causes long waiting times in clinics in most areas of the country, so patients turn to independent therapists for a fee of about NIS 570 per month. This is a barrier to getting treatment.
  -  Some clinics do not provide information on the websites about the estimated wait time. The Maccabi, Meuhedet, and Leumit websites do not differentiate between psychotherapists who give free treatment and independent psychotherapists who provide service for a deductible. The list of clinics, which includes information on average wait times posted on the Ministry of Health website, has not been updated and reflects times which were accurate for early 2018.
  -  The Ministry of Health does not have qualitative data on the ambulatory treatments provided by the Health Maintenance Organizations and on the utilization of the reform budget, so it is difficult to assess the results of reform. It also has no way to ensure that the Health Maintenance Organizations have invested the budget allocated to them for the benefit of the reform, and that the budgetary framework is providing an adequate response to the public's needs in this area.
  -  As of September 2019, there are pending appeals from Clalit regarding psychiatric hospitalizations in the first three years of the reform, which amount to approximately 22% - NIS 280 million - of total hospital bills.
  -  The Arab communities present the lowest rate of mental health patients - below the quota expected under the reform agreement.

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<sup>1</sup> Ambulatory therapy is a treatment done in a hospital or clinic and on the day of treatment the patient is discharged to his home.

-  There is a severe shortage of psychiatrists in general and among the Arab sector in particular. Despite the grant programs that have been operating intermittently since 2011, the shortage of psychiatrists is unlikely to be resolved in the coming years. There is also a lack of psychotherapists in the public service.








The reform agreement provided an additional NIS 300 million (as of 2012) intended to expand ambulatory services - an amount that is updated according to the annual (percentage) increase in the basket of health services, and currently stands at approximately NIS 400 million.

In 2017, there was a marked increase of about 20% compared to 2016 in the number of ambulatory contacts provided by the Health Maintenance Organizations, but the number is still lower than that budgeted for in 2017.

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## Main Audit Recommendations

-  The Ministry of Health, in collaboration with the Health Maintenance Organizations, must define the waiting times that the Mental Health Services system must meet and the ways to meet these goals. The Ministry must examine the publication of comparative data on waiting times between the HMO's as a means of improving the service.
-  The Health Ministry, in collaboration with the Health Maintenance Organizations, must examine the distribution of the existing clinics and the question of which services the HMO's should be required to provide and where, depending on the population and characteristics of each region, in order to ensure that these services are provided within a reasonable distance to the various populations in the country, including the ultra-Orthodox and the Arab populations, in a manner adapted to each group's culture and language.
-  It is appropriate that on the Health Maintenance Organizations websites, a clear distinction be made between caregivers who provide free service to HMO members, without payment of a deductible, and independent caregivers, whose treatment requires payment of a deductible.
-  All services intended for intervention in crisis situations as stipulated in the agreement, including through home visits and crisis teams, must be properly organized by the HMO's. It is advisable that the Ministry of Health review the "Balancing Homes" service <sup>2</sup>. The Ministry must direct the Health Maintenance Organizations on these issues and maintain oversight in the matter.
-  The Ministry of Health must exercise its authority as regulator and consolidate the data needed to assess the scope and quality of services and determine whether the budget has been appropriately used by the Health Maintenance Organizations. The Health Maintenance Organizations must regularly provide the Ministry with all the information it needs to assess the effects and results of the reform and to maintain regular monitoring and oversight of the services.

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<sup>2</sup> A setting designed for seniors who are in an acute mental crisis and is a substitute for hospitalization.



It is advisable that the Ministry of Health and the Health Maintenance Organizations, in collaboration with the Israel Medical Association and the professional unions, prepare a plan to foresee the shortfalls in the number of psychiatrists in the coming years, including in the Arab sector, and agree on actions to be taken to bridge the expected shortfalls. The Ministry is required to set targets for hiring personnel in the field of psychotherapy and to examine whether the Health Maintenance Organizations are doing enough when it comes to utilizing their budget for hiring personnel in this field.

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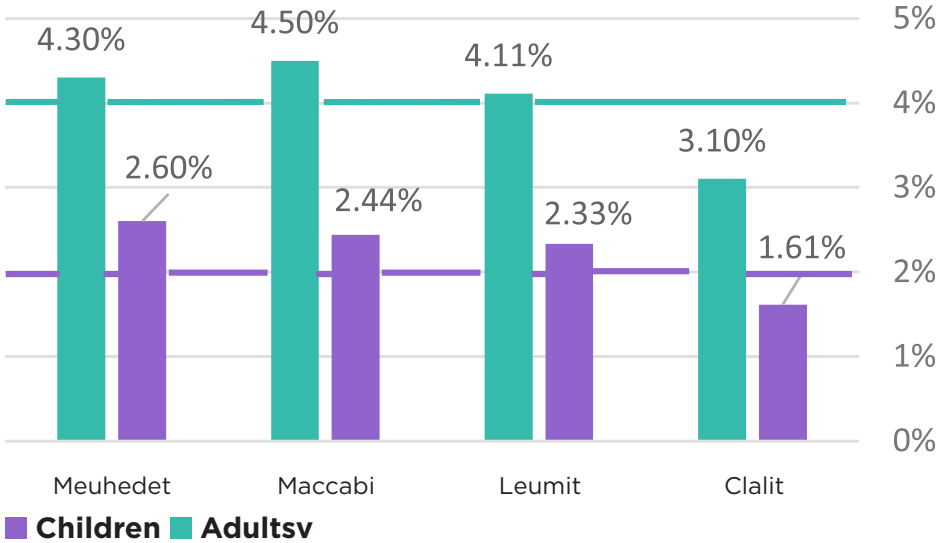
## Summary

The Ministry of Health is pleased with the reform, although it believes some areas should be improved. The audit revealed that there were difficulties in implementing the reform, and that waiting times for treatments were often very long and reached 12 to 16 months. The Ministry must work with the Health Maintenance Organizations to evaluate the results of the reform, to monitor public services, to establish goals to strengthen the mental health system in the community, and to promote available and accessible treatment for the entire population.

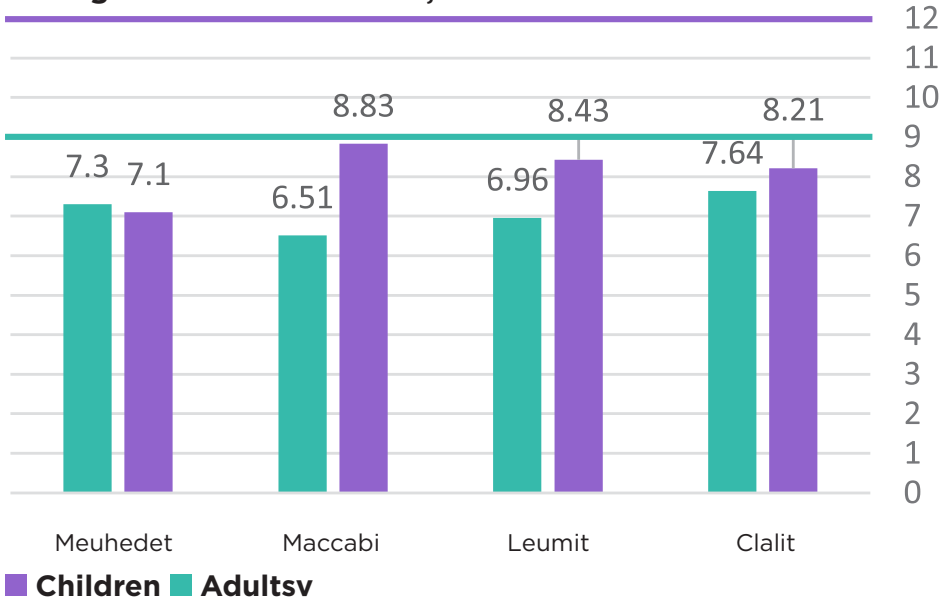
**The rate of patients and the number of contacts they received in each of the Health Maintenance Organizations (2017)<sup>3</sup>**

Source: According to data reported by Clalit, Maccabi and Leumit to the Ministry of Health, and data presented by Meuhedet in its internal report (Trend Report) for 2017

**Proportion of patients from all HMO insured persons, 2017**



**Average number of contacts, 2017**



<sup>3</sup> The horizontal lines in the chart reflect the goals set in the Child Care and Adult Care Reform Agreement.

