on the Record

The State of Children's Mental Health and Associated Costs of a Fragmented System

The New York City–based Institute for Community Living (ICL) provides comprehensive care to individuals and families who are at risk of, or affected by, mental illness or developmental disabilities. David J. Woodlock, president and CEO of ICL, spoke with *UNCENSORED* about mental illness as it affects children.

***UNCENSORED*: Given the dangers that mental health problems in childhood pose for success in adulthood, what is being done to address the issue?**

WOODLOCK: There is little in the way of an overarching national public policy concerning mental health among children. This is in spite of the fact that while one out of ten children has a serious emotional disturbance, only 20 percent of those kids ever receive treatment. Children with mental health issues have the highest school-dropout rate among all disability groups, and only 30 percent graduate with a standard high school diploma. Sadly, more children suffer from psychiatric illness than from leukemia, diabetes, and AIDs combined.

Progress has been made to address the needs of these troubled children more comprehensibly. Spurred by the Systems of Care initiative introduced by SAMHSA (the Substance Abuse and Mental Health Services Administration) in the mid-1980s, states now recognize that emotionally troubled children often face a multiplicity of issues:

- Up to 75 percent of children in juvenile justice settings suffer from mental illness.
- 50 percent of kids in the child welfare system have mental health problems
- 21 percent of low-income children suffer mental health problems

***UNCENSORED*: What else should be done?**

WOODLOCK: Several government organizations have evolved to deal with these so-called "cross-system kids," in areas including substance abuse, education, child welfare, child development and heath, and juvenile justice. But the truth is all troubled children are cross-system kids, and the very systems created to address their multiple needs separately do so ineffectively. Departments operate in silos and rarely interact with each other, resulting in a fragmented approach that is both costly and inefficient. Efforts such as the Family Movement have exposed the overwhelming task that parents and caregivers face in having to deal with so many organizations just to get minimal help.

Today, with the move to Medicaid Managed Care to contain costs, we should be concerned lest we take a giant step backward in our thinking about public policy with regard to troubled children and the funding to address their needs.

***UNCENSORED*: Considering the need to contain costs, what approach should be taken?**

WOODLOCK: Yes, it is expensive to treat a cross-system child when you consider the breadth and the depth of fragmented and often duplicative services whose practitioners don't necessarily communicate with one another. Until substantive changes are made to address the lack of integration, we will continue to see a rise in the number of youth becoming adults who need services. Many continue to view the systems for adults and children as separate and distinct; however, the same initiatives that work so well in the adult system—coordinated care among agencies to address multiple difficulties—should be applied to the whole children's system. Early behavioral interventions can improve health care and save money. When these approaches are applied to children, the improvements are ten-fold.

Dealing effectively with children's multiple issues while they are still young can go a long way toward preventing future problems such as homelessness, substance abuse, unemployment, and crime. More than half of adults who were in foster care have an Axis I diagnosis [for example, a diagnosis of schizophrenia or a mood disorder], an employment status well below that of their peers, and a rate of post-traumatic stress disorder, or PTSD, twice that of combat veterans. Imagine what could have been done with effective early treatment.

Rather than turning to Medicaid expenditures alone, states should look more broadly with regard to children's mental health. Targeted behavioral health interventions can improve outcomes and reduce expenses for child welfare, education and special education, juvenile justice, and more. For example, Maryland, New Jersey, Oklahoma, and Rhode Island have all employed a "wraparound" approach to customizing services for troubled kids. These states have implemented changes in policy, services, financing, and training in order to expand their systems of care so that more children and their families can benefit. ■