Managing Mental Health Benefits: The Changing Role of the EAP

Dale A. Masi
and
Michael H. Bowler

In recent years, "quality of work life" has become a term to describe values some believe have long been pushed aside by industrial societies. These values relate to the quality of human experiences in the world of work. Structures for benefits management have developed to ensure and protect the quality of human experiences. At the same time, there has been considerable concern about the ways and means of increasing industrial productivity in the face of international competition.

Currently, these dual concerns are converging and focusing attention on the relationship between quality of work life and productivity. Employee assistance programs (EAPs) have developed in acknowledgment of that relationship. The employee assistance movement addresses the interconnections between work conflicts and personal/family life conflicts and the effects of stress and strain on workplace productivity.

Over the last few decades, many organizations and agencies have become involved in EAPs. Corporations, labor unions, consulting firms, and human service agencies all have a stake in these organ-

Dale A. Masi is a professor at the University of Maryland School of Social Work and President of Masi Research Consultants, Inc.

Michael H. Bowler is a faculty member of the Education Center at Sheppard-Pratt Hospital, Baltimore, Maryland, and an employee health counselor in private practice.

ized attempts to help employees deal with problems that cause behavioral and health difficulties on and off the job. Coupled with the development of EAPs are demands for their accountability and demonstrated effectiveness.

Even as they support EAPs, corporate leaders increasingly seek methods of assessing services for the purposes of cost containment and cost-effectiveness in the area of benefits management. Escalation of health care costs has highlighted the importance of sound benefits management. Traditionally seen as a program managed under the general human resources (HR) function, employee assistance is more and more coming under the auspices of benefits management, due to rapidly shifting economic and social trends.

This article explores the changing role of the EAP—specifically, how these programs are becoming less of an HR strategy for improving the job performance of addicted employees and more of a mental health benefit or alternative mental health delivery system. Also discussed are a few of the implications of this shift in perspective, as well as the implications of the EAP's new dual role of service provider and mental health manager.

EVOLUTION OF EMPLOYEE ASSISTANCE PROGRAMS

The pioneer industrial EAPs of the 1940s and 1950s were developed to combat companies' financial losses and employees' personal losses associated with problem drinking. Company objectives included lowering the incidence of absenteeism and disciplinary actions and reducing their costs, as well as reducing the high costs of benefits for these alcoholic employees. To their credit, recovering alcoholic employees viewed the job as the leverage to use to crack their denial of alcoholism and get them into treatment.

Simultaneously, the EAP saved the company money, since untreated alcoholic employees used up leave and health benefits and had more frequent accidents. This was a unique benefit of EAPs, which made them distinct from traditional counseling services. In recent years, EAPs have operated from a systems perspective and have been developed to assess and modify more broadly defined "troubled behaviors." Although problems are now addressed more

holistically, the basic emphasis remains on improving work performance and lowering the costs associated with workers' problems.

Today, program components and procedures vary, depending on whether the program is developed by the company staff in the medical or human resources department or by outside contractors. Many EAP models have developed to meet the growing needs of a wide variety of companies. The major program types are the in-house/out-of-house model, consortium model, and affiliate model. Despite variation in type, most organizations that have EAPs recommend the inclusion of certain basic components, such as policy development, supervisory training, employee education, and evaluation.

Criteria used to measure the success of outcomes vary considerably, although job performance remains the central reference point. There is considerable concern in the employee assistance field that less attention is being paid to the addicted employee, and a relationship appears to exist between contracted programs and the low incidence of alcohol and drug cases.

ECONOMIC AND SOCIAL TRENDS

Certain major trends have occurred both in the organization of employee assistance services and in the larger social and economic picture that have implications for the future direction of EAPs as they move into benefits management structures.

Service Delivery Models

EAPs have traditionally been confined to providing information and assessing performance problems of employees and referring them to appropriate community resources for treatment. Many EAPs are now able to offer short-term treatment/counseling sessions themselves, since they have added professional staff who can provide the same services as referral agencies. EAPs that have less need to refer clients to outside services reduce a company's health benefits utilization by providing counseling services in a contained environment.

ıcreased Concern Over Drug/Alcohol Abuse

The use and abuse of drugs has increased tremendously, both utside and inside the workplace. Of course, treatment for drug and lcohol addiction has been the cornerstone of EAPs. The Care In- itute report on alcohol, drugs, and the high costs of insurance, *he Fifty Billion Dollar Drain,* vividly demonstrates that substance buse has a major impact on the cost of life insurance, workers' ompensation, and health, fire, and property insurance.[1]

Good mental health programs—staffed by people trained to deal ith alcohol and drug abuse and their staggering effects on roductivity—are indispensable. If the EAP can recapture its origi- al mandate, that may be the answer for dealing with the addic- on problems of employees. The resurgence of the concern about ddiction, due to the prevalence of illegal drugs today, raises a seri- us dilemma for EAPs, which have been moving away from treat- ıg this client group as they go the contract route.

)rganizational Arrangements

As we have already mentioned, external contractors have become ery visible in the service delivery arena and offer a viable alter- ıative to organizations that are interested in sponsoring an EAP ıut not interested in managing it. Today, contractors are used either o conduct entire programs or to coordinate with full-time in-house mployee assistance professionals. Large employee assistance con- ultants are becoming major providers of care in this field, and in he future, much of the employee contact with employee assistance rofessionals will be provided through contractual arrangements vith such consulting firms. The location of the client firms requires hat a functional approach rather than a geographical approach to ervice be implemented.

Affiliates (subcontracted professionals) are also being used to pro- ide services in locations where the EAP does not have its own mployees. Coordination of care under these arrangements becomes nore complicated, and the assurance of quality care becomes an ssue to be examined in more specific detail. Presently, there is no

accreditation process for such programs, and they go unchecked. Masi Research Consultants, Inc., has initiated, through the support of the IBM Corporation, a peer review methodology for reviewing EAP clinical records as a quality assurance mechanism for some corporations.

THE IMPACT OF COST-CONTAINMENT EFFORTS ON THE DELIVERY OF MENTAL HEALTH CARE

Health care is big business. Last year alone, companies in the United States spent about $91 billion for health care, up from $25.5 billion a decade ago. Faced with these increases, business, with the support of the federal government, has sought more control over the health care marketplace and has put in motion a whole new range of service delivery systems. Mindful of the rising cost of employee health benefits, companies and insurance carriers are trying out a variety of cost-containment techniques. Cost-containment efforts by industry range from those that promote a quick but relatively minor payoff, to middle-level strategies such as instituting health maintenance organizations (HMOs) and preferred provider organizations (PPOs), to those necessitating a major commitment of time and energy over several years before results can reasonably be expected.

Benefits cost containment is one of the biggest challenges faced by the nation, and corporate policies ought to be linked to a national health care policy. Businesses have worked more effectively to manage costs within their own benefits programs. They have restructured the benefits package or established utilization review mechanisms to compensate for the market failures that insurance companies have wrought. These strategies depend in part, however, on the success in integrating initiatives within the company and linking them to care providers in a smoothly functioning system.

Mental health benefits account for 15% of the total health benefits structure. The shift in service delivery systems has encouraged a wide variety of formats and strange new service delivery terms, but most of the new formats have been conservative with regard to the provision of mental health benefits. Nearly two-thirds of

American corporations offer HMOs as part of their benefits plans. Most HMOs have very limited mental health services available. PPOs have emerged as one of the fastest growing health delivery systems in the country. The loose arrangement of services that characterize PPOs, however, is proving unsatisfactory when coordination of care is the issue. While these new delivery systems reduce cost, there is growing concern that they cannot deliver quality mental health services.

While a vacuum is being created by this lack, the EAP is beginning to be seized upon as the entity that can fill the void. A separate but related issue is that the growth, cost, and confusion in health care delivery systems is creating the need for a fourth party—a quality assurance manager—who can ensure that employees are receiving the best and most appropriate services at reasonable prices. There is a need for an entity to act as a watchdog over a system that has admittedly lost control. In response, a new approach is emerging within the alternative service delivery system—the concept of managed care. Moreover, the EAP, as one of these delivery systems, is beginning to serve the dual functions of service provider and health care manager.

MANAGED MENTAL HEALTH AND THE EAP: ARE THEY COMPATIBLE?

The addition of mental health care management to an organization's health care delivery systems could meet the needs of diverse consumer groups. The consumer client becomes more knowledgeable with the help of someone who has carefully evaluated existing resources and thereby increases the possibility of receiving quality services. The provider is rewarded for providing quality services by receiving referrals. The company benefits by having someone who can monitor expenditures and costs more closely and can ensure that monies are spent more appropriately. These organizations will have the advantage of cost-effective benefits programs, as well as stronger, more effective workers.

Mental health care management can link the realities of workplace needs and the tremendously varied services in the marketplace, and ensure that the focus on job productivity and the key

role of the supervisor in the referral process is maintained and strengthened when productivity is being affected by employee problems. The power is provided through job leverage, and an educated and informed supervisor is particularly crucial when drug and alcohol issues are being addressed. Thus the uniqueness of the EAP approach is preserved.

However, channeling of services through a managed system oriented to financial responsibility and quality care also raises some organizational and political concerns. Like HMOs, managed care can fall prey to allowing financial factors to override diagnostic ones, so that less than quality care by less than qualified practitioners becomes an increasing problem. Excellence and low cost are rarely compatible. Creative financing must be matched by creative case management, bolstered by effective quality assurance mechanisms. If the system becomes only a cheaper way of delivering services without regard to clearly defined evaluation mechanisms, then quality care goes out the window. Only through more formalized quality assurance procedures can appropriate decisions be made. Only through an objective selection of procedures and a careful matching of clients and clinicians can a viable, therapeutic bond be established. Quality care must be more than a philosophical aspiration; it must be solidly based on an identifiable set of characteristics. The challenge facing managed mental health is to sort through various possibilities and arrive at a well-conceived, comprehensive approach. Only with strong organizational support mechanisms in place can such an approach work.

The EAP is emerging as one provider of mental health care management. As such, the EAP is unique, since, in this scenario, it not only manages, but provides services, except for inpatient treatment. This becomes a very attractive alternative to employers, since it eliminates a step in many cases—that is, referral, thus saving even more dollars. However, such a program requires even more "watchdogging" by the corporation. As the services become more incestuous, separate, neutral evaluation is essential. With this assurance, the corner can truly be turned for more economical and, most important, better mental health services.

1. Krizay and Carels, *The 50 Billion Dollar Drain* (Irvine, Cal.: Care Institute, 1987).

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