

REPORT

Improve accessibility, affordability and outcomes using digital mental health applications



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Executive Summary

According to the 2021 Mental Health Million Project¹, almost half of individuals worldwide who experience a clinical level mental health concern do not seek professional help. In the U.S., the reasons are several:

1. Individuals in the US are not confident that seeking help will “help”.
2. Persons seeking help find navigation and access to care difficult.
3. US citizens are unsure what kind of help to seek.
4. A significant number of persons with mental health concerns also prefer self-help mechanisms.¹

The latter reason is highlighted by the fact over **20% of individual with subclinical symptoms are interested in seeking mental wellness support through self-help mechanisms.**¹

These findings are particularly interesting to health plans. Health plans are charged with meeting all member needs in general health while also addressing mental health needs. Health plans are evaluated along several key dimensions –access to care, engagement in care, member satisfaction with access and quality, and ultimately, outcomes. Members’ satisfaction with service access and care quality significantly impacts health plans’ growth and sustainability. Health plans are also evaluated within financial dimensions, and their ability to impact a member’s mental health and wellbeing plays a significant role in their performance.

¹ Newson JJ, Sukhoi O, Taylor J, Topalo O, and Thiagarajan TC. (March 2021). Mental State of the World 2021. Mental Health Million project, Sapien Labs.

Research shows persons with untreated mental health needs have much higher costs associated with treating physical health concerns compared to members who do not experience a concomitant mental health concern.

Over **80% of Americans will report experiencing a clinical level mental health concern by middle age**, at the cost of **\$190 billion in lost wages every year** for those individuals. Accordingly, health plans must offer a variety of service options to create access and engagement, in order to ultimately improve health and lower costs. The impact of mental health and wellness on overall health and cost of care cannot be underestimated.

What are the clear resources available for health plans to address mental health care access, engagement, and options for care? Digital applications offer a proven and effective mechanism. This report will explore the underlying factors leading to lack of access and engagement in mental health care and how health plans can significantly boost access, engagement, confidence, and satisfaction with mental health care and support through the use of evidence-based digital applications.

About Koa Health

Scalable and accessible mental health care for all

Koa Health is a leading global provider of workplace mental health solutions. Trusted by leading insurers and employers such as Mapfre, O2, Jack.org and Education First, Koa Health leverages **deep clinical expertise**, research and technology to deliver practical, personalized and accessible evidence-based support that meets people where they are.

Our top-ranked mobile-first solutions have been shown to have **a positive impact** on stress, resilience, sleep and overall life satisfaction with just two weeks of use in randomized controlled trials.¹⁴

From organizational support to personalized **mental health care for your employees**, including wellbeing and specialist services, Koa Health has you covered.

To find out more visit www.koahealth.com or contact us at info@koahealth.com

¹⁴ <https://koahealth.com/blog-post/rct-shows-koa-foundations-can-improve-mental-wellbeing-in-four-weeks>



PART 1

Mental health needs, costs, and impact

National research shows **80% of Americans will experience a mental health concern by middle age**. In any given year, 20% of Americans report experiencing mental health concerns. This percentage rose in the past two years, attributable to the pandemic's impact; the percentage of Americans citing anxiety and depression during the pandemic period doubled, rising to 35–40%. This uptick in reported anxiety and depression was coupled with significant increases in mental health events, as evidenced by both an increase of mental health emergency room presentations and an increase of opioid overdoses by 40%.

Children and adolescents also fared worse during the past 18–24 months. The increase in national rates of suicidality in children and youth led to declaration of a mental health emergency state for children and youth by the American Academy of Pediatrics, American Academy of Child and Adolescent Psychiatry, and the Children's Hospital Association. Children and youth reports of anxiety and depression doubled. These figures are particularly sobering given the reverberating stress on whole families and the larger community. Parents, grandparents, caregivers, siblings, employers, and schools are impacted when a child is experiencing mental, behavioral, or emotional distress.

The impact of mental health distress on overall physical health care is widely documented. Persons experiencing a mental health disorder are more likely to suffer from chronic health conditions such as diabetes or heart disease. These individuals suffer more and have poorer health outcomes, even though their cost of care is higher, outpacing costs for those without mental health disorders by two to threefold.

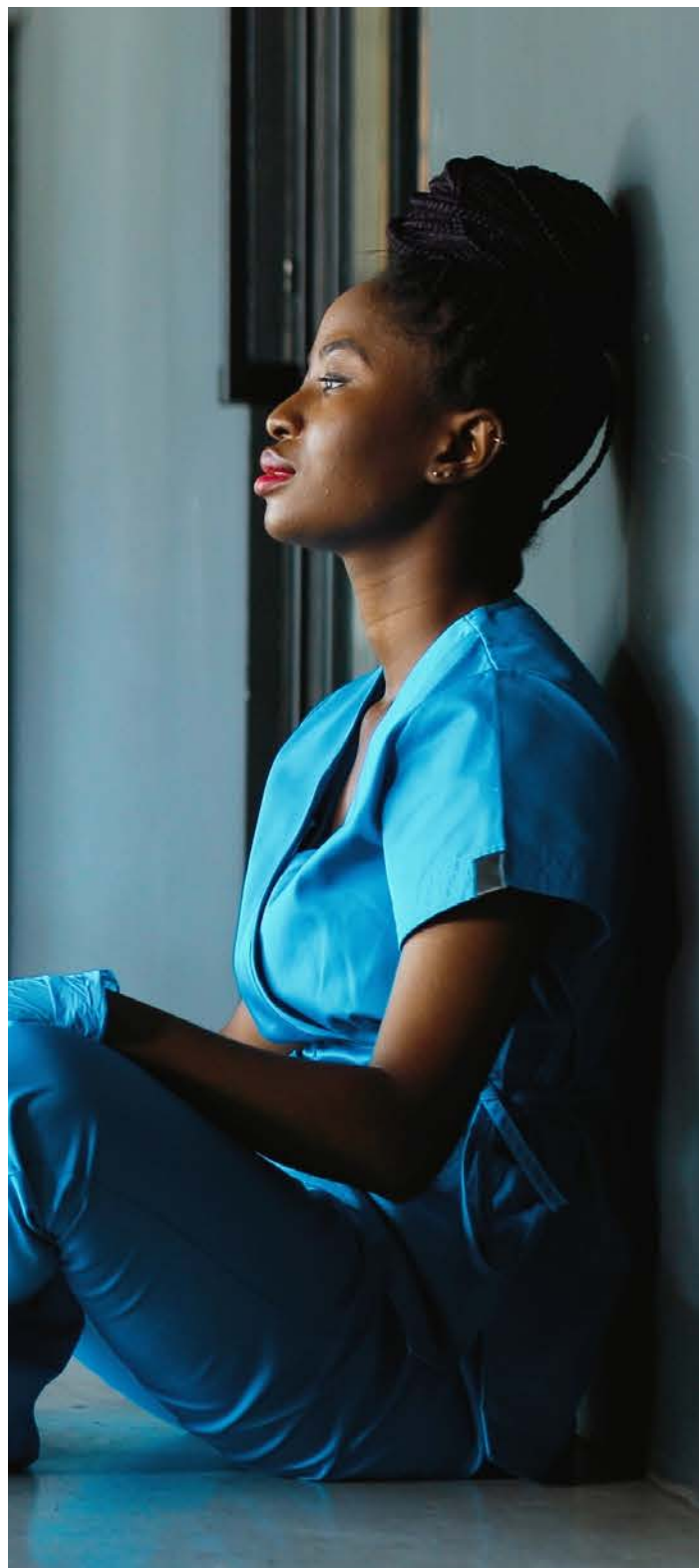
Not only are mental health challenges up across the board, but reports show that the most vulnerable American including those in Medicaid and Medicare populations, BIPOC and those in rural areas – are disproportionately impacted.^{12, 13}

The impact of mental illness also has significant economic impacts. For example, **85% of working adults indicate mental wellness, or lack thereof, impacts their work**, leading to lowered productivity and attendance. For employers and wage earners, the costs are staggering. Over \$190 billion a year in costs is attributed to mental distress among employees. Persons suffering with mental illness are also more likely to experience homelessness, incarceration, and substance use disorders. The global costs of mental health concerns reach a staggering trillion dollars a year.

Mental health is top of the mind across sectors. Between our fast-paced pre-COVID lifestyles and the isolation, fear and unprecedented change since the pandemic, the mental health of our country—and the world at large—has reached critical levels.

In the last year, President Biden pledged to strengthen the healthcare system capacity and make it easier for Americans to get care; 92% of employers have added additional health benefits to address mental wellness and resiliency for employees and workplace initiatives²; and funding for digital mental health organizations increased by 133% year over year – a blockbuster year.³

\$190B
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² WELCOA and Koa Health (2022). Retrieved from <https://koahealth.com/>

³ MobiHealth News. (2022, January). Report: Digital health scoops up \$57.2B in 2021 funding worldwide. Retrieved from: <https://www.mobihealthnews.com/news/report-digital-health-scoops-572b-2021-funding-worldwide>

¹² Centers for Medicare and Medicaid Services. 2021, May. CMS Data Shows Vulnerable Americans Forgoing Mental Health Care During COVID-19 Pandemic. Retrieved from: <https://www.cms.gov/newsroom/press-releases/cms-data-shows-vulnerable-americans-forgoing-mental-health-care-during-covid-19-pandemic>

¹³ Blue Cross Blue Shield. 2022, May. New Blue Cross Blue Shield Association Report Shows Glaring Racial Disparities in Diagnosis and Treatment of Major Depression. Retrieved from: <https://www.bcbs.com/press-releases/new-blue-cross-blue-shield-association-report-shows-glaring-racial-disparities>

‘The fragmented and expensive U.S. healthcare system has put mental health on the back burner. Whether it’s due to stigma, inability to access care, financial strain, or lack of awareness, less than half of Americans who struggle with their mental health receive the treatment they need.

In short, we’re losing the battle on mental health support, and something needs to change—fast.’



Jennifer Gendron

Chief Commercial Officer, Koa Health

The role of health plans

These findings present an immediate call to action for health plans.

Health plans are in a unique role to innovate care access and engagement to address both support for mental wellness and resiliency, and care for chronic and debilitating mental health conditions.

Health plans are charged with meeting all member needs, across all age ranges, in general and mental health. In this regard, health plans are evaluated by regulators, such as Medicare’s Five Star Rating System; standard bearers, such as the National Committee on Quality Assurance (NCQA); and the public, through customer satisfaction ratings. Across this array of overseers, universal measures of health plan success follow The Triple Aim⁴, made famous by Don Berwick.

The Triple Aim of successful health care includes:

- (1) access to and engagement in care;
- (2) quality of care as measured by cost and health status; and
- (3) satisfaction with care.³

Each of these dimensions is critical to health plan sustainability and growth in a highly competitive marketplace.

³ MobiHealth News. (2022, January). Report: Digital health scoops up \$57.2B in 2021 funding worldwide. Retrieved from: <https://www.mobihealthnews.com/news/report-digital-health-scoops-572b-2021-funding-worldwide>

The standards of service access, quality, engagement, and satisfaction can be particularly challenging for health plans in addressing mental health needs of their covered population.

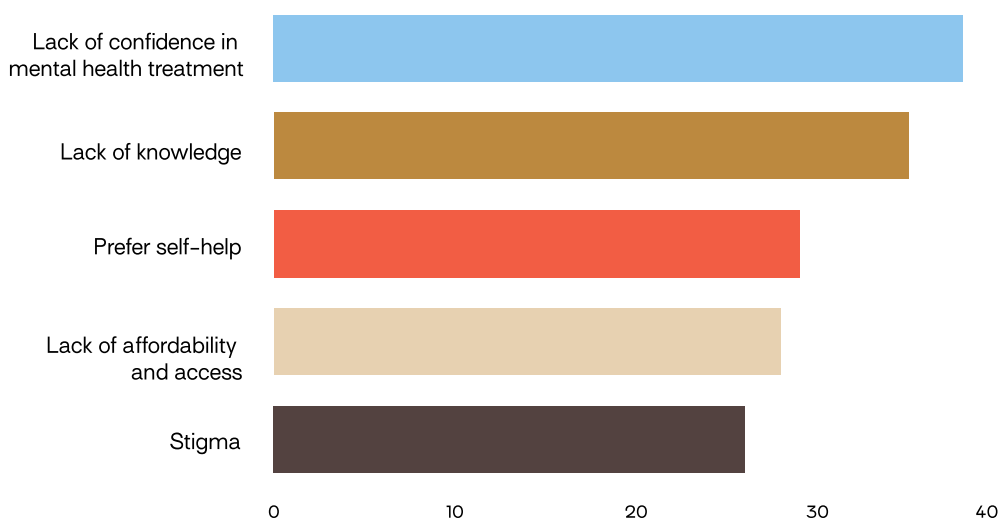
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2. Persons seeking help find navigation and access to care difficult.
3. US citizens are unsure of what kind of help to seek.
4. A significant number of persons with mental health concerns prefer self-help mechanisms.¹

The latter reason is highlighted by the fact **over 20% of individual with subclinical symptoms are interested in seeking mental wellness support through self-help mechanisms.**

Given the pervasiveness and negative impact of mental health concerns on overall health and its costs, these statistics suggest health plans must create a range of options to encourage persons to seek and engage in mental health care through innovation. The need for innovation is further underscored by the crisis in the behavioral health workforce. Recent data suggests 4.5 million behavioral health professionals—social workers, psychologists, counselors, peer specialists, nurses, and psychiatrists—are required to address the unmet need of mental health distress. These workforce shortages are most keenly felt in underserved and hard to reach populations, such as rural populations and poor and minority populations.

PERCENTAGE WITH CLINICAL LEVEL MENTAL HEALTH CHALLENGES NOT SEEKING HELP



Source: Mental State of the World 2021.

¹ Newson JJ, Sukhoi O, Taylor J, Topalo O, and Thiagarajan TC. (March 2021). Mental State of the World 2021. Mental Health Million project, Sapien Labs.

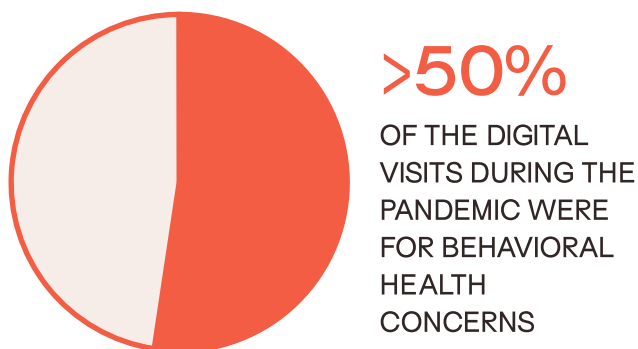


Innovation in mental healthcare

One such innovation in mental health care is the use of digital first applications. Even before the onset of the pandemic (2018), the United States Federal Drug Administration (USFDA) estimated the digital health market to be valued at \$1.8 billion.⁵ 82% of people in the U.S. ages 18–49 own an application enabled mobile phone. Of those, **58% have downloaded a digital health application.**⁶

During the pandemic period, mental health services were the quickest to convert to online applications. Usage has remained high, despite an overall decline in online health applications for general health care. Mental health treatments experienced the most prolific digital development and widespread acceptance and engagement during the pandemic period. Over 50% of the digital visits recorded during the pandemic period were for behavioral health concerns.

Let's explore what we know and do not know about the value and best use of digital first applications as an innovative mental health treatment option for health plans.



⁶ Health App Use Among US Mobile Phone Owners:
A National Survey – PMC (nih.gov)

Digital health applications

Digital health applications can generally be categorized as synchronous applications or asynchronous applications.

Synchronous applications include video and audio services, typically involving a live internet or web-based connection between an individual seeking help and a professional providing help. The service is a “virtual face to face visit, or telehealth visit”, and experienced much like a mental health visit in a clinic face to face setting. Other variations of synchronous applications include the use of audio only (telephonic connection) and text-based coaching (which can be synchronous or asynchronous). Using chat bots, individuals seeking help can engage with a text-based chat with a robot. Chat bot applications, based in neural language processing where the responder is not an actual person, but the response is built from artificial intelligence, are used to coach an individual through a specific problem, using key words and commonly accepted coaching or problem resolution techniques.

Asynchronous applications are mobile or other connected health applications that support mental health and wellness. Typically adopted by the millions of Americans who prefer a self-help approach, asynchronous applications include: (1) online solutions to support information seeking regarding a health condition; (2) stress management solutions that may include meditation, sleep, nutrition, or other management techniques for maintaining a healthy life balance; and (3) evidence-based applications to treat depression and anxiety (iCBT/eCBT). Of these, e-CBT is the most studied evidence-based asynchronous approach.⁷

While independent research is limited, there is recent and promising independent research indicating asynchronous mobile applications using a science-based approach, such as CBT [Cognitive Behavioral Therapy] for depression management, are as effective as face-to-face therapy.⁸

‘There is no-one-size-fits-all in mental health. People have distinct needs and goals, and health plan leaders must reflect this in what they offer to members. Our research clearly indicates that those that have taken this approach and offered tailored, evidence-based support to individuals will not only reap the benefits in the long run, from more engaged members, but have already experienced the benefit of a lower increase in demand for mental health support when the pandemic struck.’



Sophie Dix, Ph.D, Behavioral Neuroscience
VP of Content, Koa Health

⁷ Henson P, David G, Albright K, and Torous J. (2019, June). The Lancet Digital Health. Deriving a Practical Framework for the Evaluation of Health Apps. Retrieved from [https://www.thelancet.com/journals/landig/article/PIIS2589-7500\(19\)30013-5/fulltext](https://www.thelancet.com/journals/landig/article/PIIS2589-7500(19)30013-5/fulltext)

⁸ Behavioral health business. (2022, feb). new mit study finds headspace has comparable impact on in-person therapy. retrieved from <https://bhbusiness.com/2022/02/27/new-mit-study-finds-headspace-has-comparable-impact-on-in-person-therapy>

PART 2

Value of digital apps to health plans

Access to care and consumer demand

Access to care is a key driver of member satisfaction, and a key factor in health plan overall ratings. Access to care is typically measured by timeliness of appointment. Timeliness can be impacted by the number of providers available, the distance to reach the provider and the range of options for access. Digital first applications extend the range of options, timeliness of options, and distance to options offered by health plans.

Current mental health professional workforce shortages have given rise to the promising use of digital first applications to support access and engagement in mental health wellness and care.⁹

The current mental health workforce is estimated to be 700,000 professionals, while to meet the demand, 5.17 million professionals are needed, a staggering shortage of 87%.⁸

Coupled with the reticence of some individuals – particularly the most vulnerable populations – to seek care in person, digital first applications offer a natural extension of services and supports to the demand needs of the help seeker.

87%

shortage of mental healthcare professionals to meet current demand⁸



⁸ Behavioral Health Business. (2022, Feb). New MIT Study Finds Headspace Has Comparable Impact on In-Person Therapy. Retrieved from <https://bhbusiness.com/2022/02/27/new-mit-study-finds-headspace-has-comparable-impact-on-in-person-therapy>

⁹ JMIR Mental Health. (2020, March). Digital Mental Health and Covid-19: Using Technology Today to Accelerate the Curve on Access and Quality Tomorrow. Retrieved from <https://mental.jmir.org/2020/3/e18848/>

'Mental health is unique in that you can easily flex the treatment threshold, creating an iceberg of issues under the surface. That burden then spills over the families, social groups, workplaces that have to pick up the pieces for people, typically with mild and moderate conditions.

Evidence-based, clinically validated digital mental health tools present the only scalable way to quickly get people the help they need and relieve the tremendous burden weighing on an already overwhelmed healthcare system."



Dr. Oliver Harrison

CEO, Koa Health

A recent study by Trilliant Health⁹ showed some persons distinctly prefer digital health services. Types of persons most likely to choose a digital first application include:

- Jugglers (those persons with high demand on their time);
- Guidance seekers (those seeking evidence-based advice and information);
- Self-achievers (those who are proactive about their health and prefer to help themselves and actively engage in their own care); and
- Balance seekers (those looking to balance life demands).¹⁰

By offering on-demand, evidence-based resources at the point of care, digital applications fill a gap in health plans' range of options to address consumer preference and assist with meeting the standards of access, engagement, quality, and satisfaction. They address when care is received, how it is received, and by whom it is provided, meeting a variety of member needs and expectations for point of care response.⁹

⁹ JMIR Mental Health. (2020, March). Digital Mental Health and Covid-19: Using Technology Today to Accelerate the Curve on Access and Quality Tomorrow. Retrieved from <https://mental.jmir.org/2020/3/e18848/>

¹⁰ Trilliant Health. (2022, Feb.). Trends Shaping the Health Economy: Telehealth. Retrieved from https://fhubspotusercontent30.net/hubfs/383398/Trilliant%20Health_2022%20Telehealth%20Trends%20Report_02.23.22_1.pdf

Scalability and Augmentation

Digital therapy programs have tremendous ability to scale and address unmet and untreated mental health needs. This scalability and augmentation are particularly relevant for treatment of depression, and to address lifestyle interventions shown to support healthy life and health outcomes. Increasing research shows the importance of healthy lifestyle — exercise, sleep, nutrition, work-life balance — as a factor in preventing poor health, but also as an augmentative factor in supporting persons with complex or chronic condition management. The ability to scale across the entire continuum of care and provide on demand services regardless of location and availability of provider, lends large scalability to digital first applications for implementations pertinent to both general health and mental health.

Clinic research at Boston Medical University documented the benefits of digital applications, used in conjunction with traditional medical services in better understanding the unique lived experience of each patient.¹



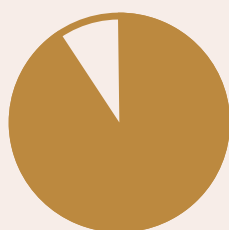
¹ Newson JJ, Sukhoi O, Taylor J, Topalo O, and Thiagarajan TC. (March 2021). Mental State of the World 2021. Mental Health Million project, Sapient Labs.

Case study

A recent study underscores the scalability and impact of a digital application on access, engagement, satisfaction, and improved mental health and wellbeing. Koa Health, a leading international digital health company, partnered with a large international business with over 2,500 employees across ten countries.

During the pandemic, this company experienced a decline in workforce reports of positive feelings of mental wellness and resiliency. Using Koa Health's Foundations application, the customer service team from the company engaged with Koa Health to promote and encourage meaningful engagement, a key to successful engagement and uptake. Starting with offices in the UK, then scaling across offices in 10 countries in just a few months, significant impact was noted. In as little as two weeks, the company reported 75% of employees had opted in to receive notifications from the application and after 3 months, 33% of employees had used the application, with over 90% reporting the application was useful to them. Employee uptake and engagement was 50% higher than previous traditional methods to address mental health and wellness.

RESULTS



91%

Activities
marked as
helpful



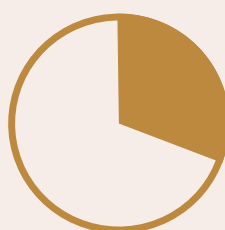
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Opted in for
regular
notifications



3,680

Activities
performed



31%

Uptake among
staff

In other studies, adults using Koa Foundations improved their mental wellbeing against the WHO-5 scale (1-100) after two weeks, and by more than a fifth (21%) on average after four weeks. This was significantly higher than the adults in the control group whose improvement against the same scale was negligible, with an average improvement of only 1%.¹⁴

Digital health selection

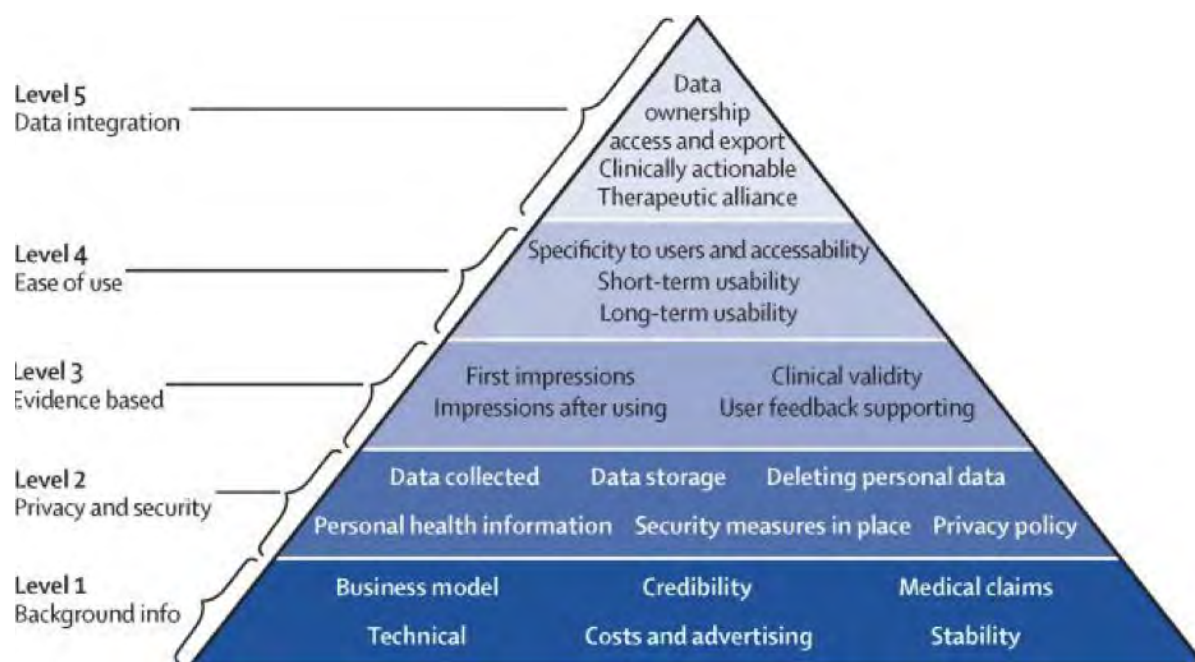
Given the growing number of digital first mental health applications (20,000–30,000 in a recent estimate), continued market investment, consumer demand, and the huge potential for scalability and augmentation, selecting a digital health partner is a critical decision for health plans.

In 2018, a group of diverse stakeholders—health care recipients, clinicians, researchers, health plans, and technology companies joined with the U.S. National Institute of Mental Health and crafted a consensus statement around standards for selection of mental health applications.

The consensus statement includes four levels of evaluation criteria: data safety and privacy, application effectiveness, user experience and adherence, and data integration.⁶ The criteria are in keeping with the American Psychiatric Association standards of evaluation. These standards and a practical guide for selection are depicted below. This model can be used for selection of a partner, or once selected, used to match an individual to digital first application use. The pyramid is used to remind the buyer to begin at the bottom and not proceed if any single level does not meet their needs.



⁶ Health App Use Among US Mobile Phone Owners:
A National Survey – PMC (nih.gov)



About Koa Health

Koa Health is a leading global provider of digital first mental health solutions. Using the pyramid guide, Koa Health meets or exceeds at all levels:

Level 1: Credibility with leading insurers, employers, independent reviews, industry experts and academics

Level 2: Meets the highest level of privacy and security

Level 3: Clinically valid and tested, grounded in evidence and research

Level 4 and 5: Reported high levels of satisfaction and usability

In summary

Digital applications are not for everyone. Understanding the segment of the health plan population likely to choose, prefer, and engage with digital applications is key. Evaluating choices using the pyramid guide offers a practical tool for separating the chafe from the grain.

Get to know Koa Health. Contact Koa Health at info@koahealth.com to learn more about our digital first solutions and how we can help you with your consumer needs and demands.

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