"Rules vs. Discretion: Treatment of Mental Illness in U.S. Adolescents"

Abstract: Mental health disorders are a leading cause of disability worldwide. Many mental health disorders start in adolescence and appropriate treatment at the outset has the potential to improve trajectories. But what is appropriate treatment? We use a large national data base of insurance claims to examine the impact of initial mental health treatment on the outcomes of adolescent children over the next two years, where treatment can fall into three categories. First, treatment can be consistent with FDA guidelines. Second, treatment can be inconsistent with FDA guidelines, but consistent with looser guidelines published by professional societies such as the American Psychological Association (“grey-area” prescribing). Third, treatment can be inconsistent with guidelines (“red-flag” prescribing). Our results shed light on the question of whether guidelines from either the FDA or professional organizations are an effective way to scale up good treatments in practice. We find that red-flag prescribing increases self-harm, use of emergency rooms, and health care costs. FDA approved prescribing is associated with lower initial rates of self-harm, but with higher costs. Over a two-year time horizon, grey-area prescribing lower costs and facility use and does not increase self-harm.

Janet Currie is the Henry Putnam Professor of Economics and Public Affairs at Princeton University and the Co-director of Princeton’s Center for Health and Wellbeing. She also co-directs the Program on Families and Children at the National Bureau of Economic Research. Currie is a pioneer in the economic analysis of child development. Her current research focuses on socioeconomic differences in health and access to health care, environmental threats to health, the important role of mental health, and the long-run impact of health problems in pregnancy and early childhood. Currie is a member of the National Academy of Sciences, the National Academy of Medicine, and of the American Academy of Art and Sciences. She is the President-Elect of the American Economic Association and has served as the President of the American Society of Health Economics, the Society of Labor Economics, the Eastern Economic Association, and the Western Economic Association and as the Vice President of the American Economic Association. She is a Fellow of the American Academy of Political and Social Science, the Society of Labor Economists, and of the Econometric Society, and has honorary degrees from the University of Lyon and the University of Zurich. She was named a NOMIS Distinguished Scientist in 2019 and was named one of the top 10 women in Economics by the World Economic Forum in July 2015. She has served on the Board of Reviewing Editors of Science, as the Editor of the Journal of Economic Literature, and on the editorial boards of many other journals.
BACKGROUND

The JWK Visiting Scholar is a new program sponsored by the Department of Health Care Policy and was begun in 2022. A leading researcher in health economics from another academic institution is invited to visit the department for up to a week. During this time he/she meets with students and faculty from Harvard schools with interest and research in health economics (i.e., FAS, HBS, HKS, HMS, Harvard Chan School of Public Health).