# Behavioral Health Coverage in Medicaid Managed Care



Approximately one in six adults in the United States lives with a behavioral health condition.¹ Behavioral health is a major focus for the Medicaid program, with many Medicaid health plans providing behavioral health coverage as part of their comprehensive benefits package. However, many individuals still do not seek or complete behavioral health treatment. In this issue brief, we report findings from the Institute for Medicaid Innovation's 2018 Annual Medicaid Managed Care Survey that are specific to behavioral health. We also outline opportunities to address research, clinical, and policy priorities for behavioral health in Medicaid.

# **Behavioral Health by the Numbers**

- Approximately 44.7 million adults in the United States live with a behavioral health condition.<sup>1</sup>
- Individuals living with SMI are at an increased risk for chronic physical health conditions and on average live 25 years less than individuals without SMI.<sup>3</sup>
- Medicaid covers 21 percent of all adults with behavioral health conditions, 26 percent of all adults with serious mental illness (SMI), and 17 percent of all adults with substance use disorder (SUD).<sup>2</sup>

Figure 1. Approaches Medicaid MCOs Worked with Behavioral & Physical Health Providers to Address Needs

Made screening tools available
Information/data shared on behavioral health
Education

Value-based contracting across physical and behavioral services

Embedded health/behavioral specialists in medical practices

Specialized programs or offerings

O% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Physical health providers addressed physical health needs

Behavioral health providers addressed physical health needs

Source: Institute for Medicaid Innovation. (2018). 2017 Annual Medicaid MCO Survey: Washington, D.C.

# Table 1. Barriers to Addressing Behavioral Health among Medicaid MCOs

# **Policy Barriers**

CFR 42 limitations on SUD treatment information being shared

Fragmentation in program funding and contracting for physical and behavioral health services

Institutions for Mental Disease (IMD) exclusion

#### **Network Barriers**

Access to behavioral health providers in select regions (e.g., rural, underserved)

Provider capacity to provide integrated physical and behavioral health at point of care

Behavioral health provider adoption of electronic health records

Behavioral health provider readiness for managed care

## **Operational Barriers**

Access to data between care management and behavioral health teams

Staffing in care management to align skill sets with integrated care needs

Communication between care management and behavioral health

System differences with subcontractor

Source: Institute for Medicaid Innovation. (2018). 2017 Annual Medicaid MCO Survey. Washington, D.C.



### **Clinical Priorities**

- Promote the use of care models that integrate physical and behavioral health, such as the collaborative care model.
- Address the shortage of behavioral health workers, particularly in underserved areas.
- Integrate cultural competency in education and training.
- Improve screening efforts for behavioral health conditions.



#### **Research Priorities**

- Conduct further research on collaborative care models in order to determine the efficacy and effectiveness of these models.
- Provide financial support to encourage behavioral health research.



## **Policy and Advocacy Priorities**

- Improve efforts to support reimbursement for collaborative care models.
- Address Medicaid MCO concerns surrounding CFR 42 limitations on SUD treatment information sharing.
- Address Medicaid MCO concerns surrounding fragmentation in program funding and contracting for physical and behavioral health services.

For more information, read IMI's full 2019 report, "Behavioral Health Coverage in Medicaid Managed Care" For a complete list of sources, please contact the Institute for Medicaid Innovation at info@MedicaidInnovation.org

