

The CBHSQ Report

Spotlight

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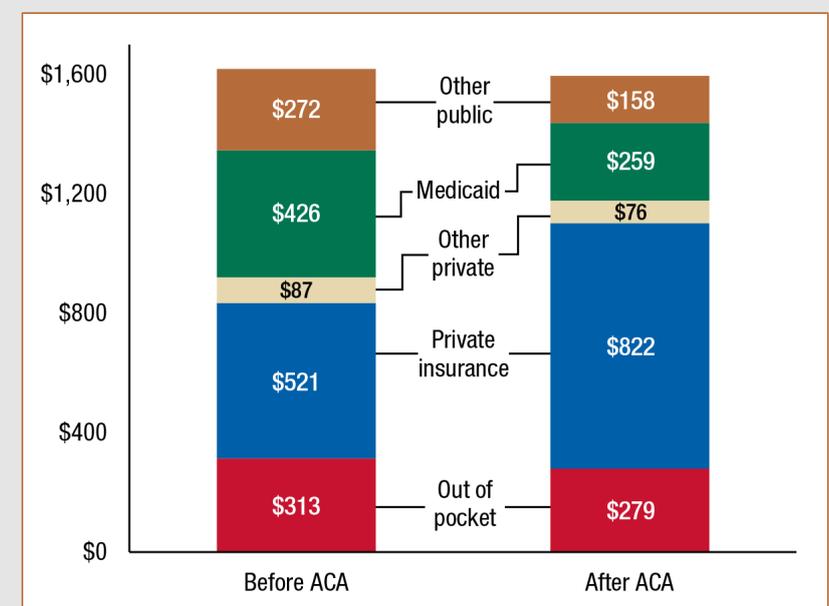
PAYING FOR BEHAVIORAL HEALTH TREATMENT: THE ROLE OF THE AFFORDABLE CARE ACT

In September 2010, the Affordable Care Act (ACA) extended dependent care coverage to all individuals younger than age 26. The coverage expansion likely caused an increase in private insurance coverage and mental health treatment use for young adults.¹ For mental health and substance use treatment, changes in who pays for care can be evaluated using the Medical Expenditure Panel Survey (MEPS).

Using annual data from 2004 to 2012, the average treatment payments by payer type before and after the dependent care expansion were calculated for all individuals aged 19 to 26 who reported treatment for mental health or substance use issues. Average yearly treatment costs remained constant at approximately \$1,600. Although total costs remained level, the types of payers changed significantly. Private insurance became a much more common source of payment in the post-reform period, increasing from \$520 to \$822. Likewise, the share of treatment paid by Medicaid and other public sources, such as Medicare and Veterans Affairs/Civilian Health and Medical Program for Uniformed Services (VA/CHAMPUS) declined from a pre-reform total of \$698 to \$417 in the post-reform period. Post-reform out-of-pocket payments by individuals and other private source payments remained at comparable levels to the pre-reform period.

By expanding insurance coverage, the ACA shifted the payment for mental health and substance use treatment away from public sources and onto private insurers. It also reduced young adults' reliance on public funds to receive treatment.

Average payment for mental health and substance abuse treatment among 19-26 year olds, before and after the ACA enactment



Note:

1. McClellan, C. (2015). *The CBHSQ Report: Trends in insurance coverage and treatment utilization by young adults*. Rockville, MD: Substance Abuse and Mental Health Services Administration, Center for Behavioral Health Statistics and Quality.

Source: The Medical Expenditure Panel Survey (MEPS) is an annual survey sponsored by the Agency for Healthcare Research and Quality (AHRQ). The 2004 to 2012 data used in this report are based on information obtained from 29,978 persons aged 19 to 25. The survey collects data by administering questionnaires to a representative sample of the U.S. civilian noninstitutionalized population. Detailed information on MEPS content and survey design are available at <http://www.meps.ahrq.gov>.

The Substance Abuse and Mental Health Services Administration (SAMHSA) is the agency within the U.S. Department of Health and Human Services that leads public health efforts to advance the behavioral health of the nation. SAMHSA's mission is to reduce the impact of substance abuse and mental illness on America's communities. The Data Spotlight may be copied without permission. Citation of the source is appreciated. Find this report and those on similar topics online at <http://www.samhsa.gov/data/>.