

## Shining a light on disparities in mental health treatments





The United States is facing an unprecedented mental health crisis. One in five adults and children — approximately 70 million people — have at least one mental health condition. In a recent study, the Vizient® Research Institute identified variations in diagnoses and care between Medicaid and commercially insured individuals with diagnosed behavioral health conditions. The variations result in Medicaid patients being more likely to end up in the emergency department (ED) or be admitted to the hospital. This leads to greater costs to the health system and, more importantly, signifies that these patients aren't getting the early diagnosis and care they need.

**The findings show Medicaid patients seeking care for behavioral health needs receive very different treatments compared to patients with commercial insurance.**

- Among adult and pediatric patients with the same behavioral health diagnosis, Medicaid patients were less likely than commercially insured patients to receive any psychotherapy – either alone or in combination with medication (see Figures 3 and 4).
- Adult and pediatric Medicaid patients across all behavioral health diagnoses studied were at least two times more likely than commercially insured patients to receive treatment through pharmaceuticals alone, suggesting this population is more likely to receive undertreatment for behavioral health diagnoses (see Figures 3 and 4).
- Upstream behavioral health needs that are not adequately managed lead to increased downstream costs through higher utilization of the health system's most expensive resources such as ED visits (see Figures 5 and 6).

The prevalence and variation in behavioral health care is likely even greater as claims data only reflects individuals who received treatment. For behavioral health conditions, claims-based prevalence is likely lower than the actual population prevalence as up to 30% or more of pediatric and adult patients do not seek treatment for their behavioral health needs.<sup>1</sup>

While reducing economic disparities is key to improving access to mental health services, there are more immediate actions that can be undertaken. Expanding the number of providers and increasing virtual care will help improve access and reduce unnecessary, high-cost utilization and healthcare spending. More importantly, it will provide a fairer and more appropriate standard of care and improve the quality of life for behavioral health patients and their families.

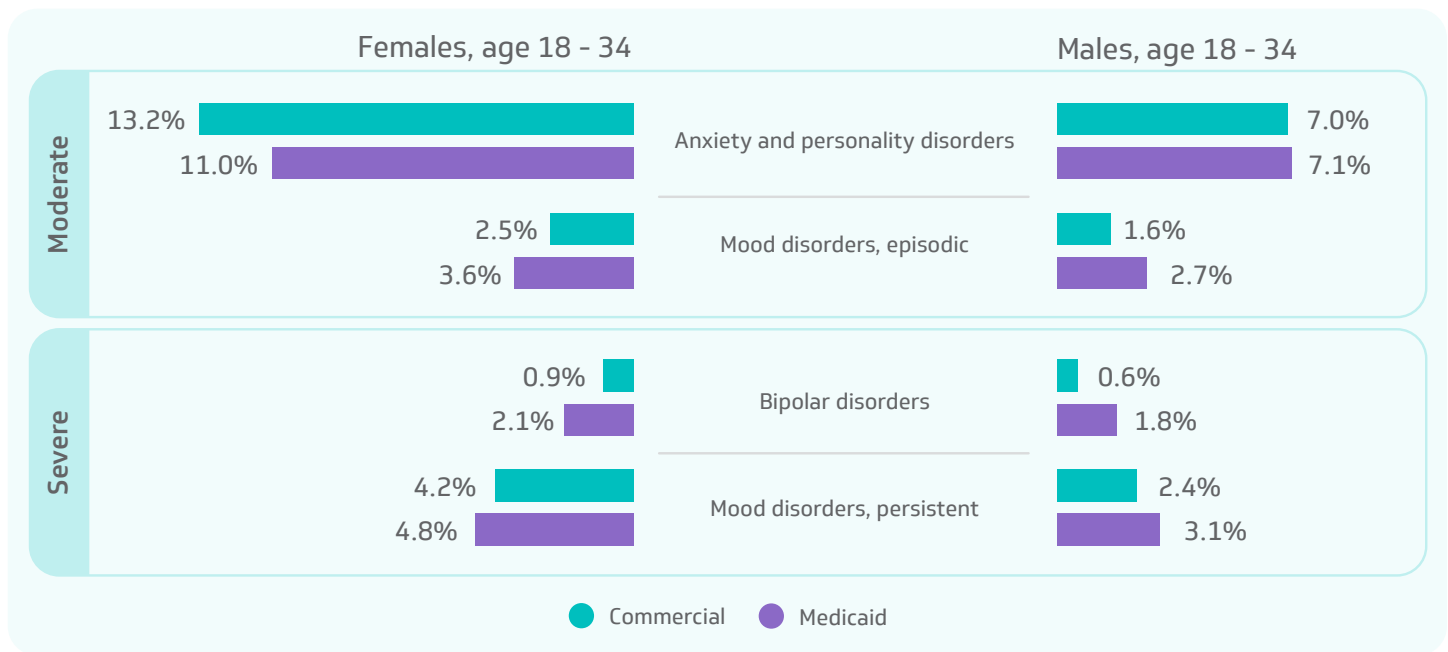
## Variations and implications in treating behavioral health conditions

The Vizient Research Institute’s 2023 research study highlights how payer disparities contribute to variations in behavioral healthcare. Specifically, the study explores the undertreatment of patients with behavioral health chronic conditions, and what factors are contributing to variation in access, engagement and trust among economically vulnerable populations and economically advantaged populations.

This report focuses on the 0-34 age range as that population cohort had the largest data set and the overall trends were reflective across other age cohorts. The report details the percent of the population by attributed behavioral health condition in adults and children, the proportion of those patients receiving therapy and/or prescription medications and the implications of these variations on ED visits for patients with an initial behavioral health condition.

The prevalence of anxiety and personality disorders was the same or higher for commercially insured age 18-34 but the Medicaid population had a higher prevalence of severe mental illness diagnoses compared to the commercial population (Figure 1). However, the true prevalence in the population is likely higher as claims-based prevalence only represents the subset of the population who received treatment. Overall, fewer Medicaid patients are receiving treatment for their behavioral health condition compared to those with commercial insurance.

**Figure 1. Percent of population by attributed behavioral health condition, 2021**

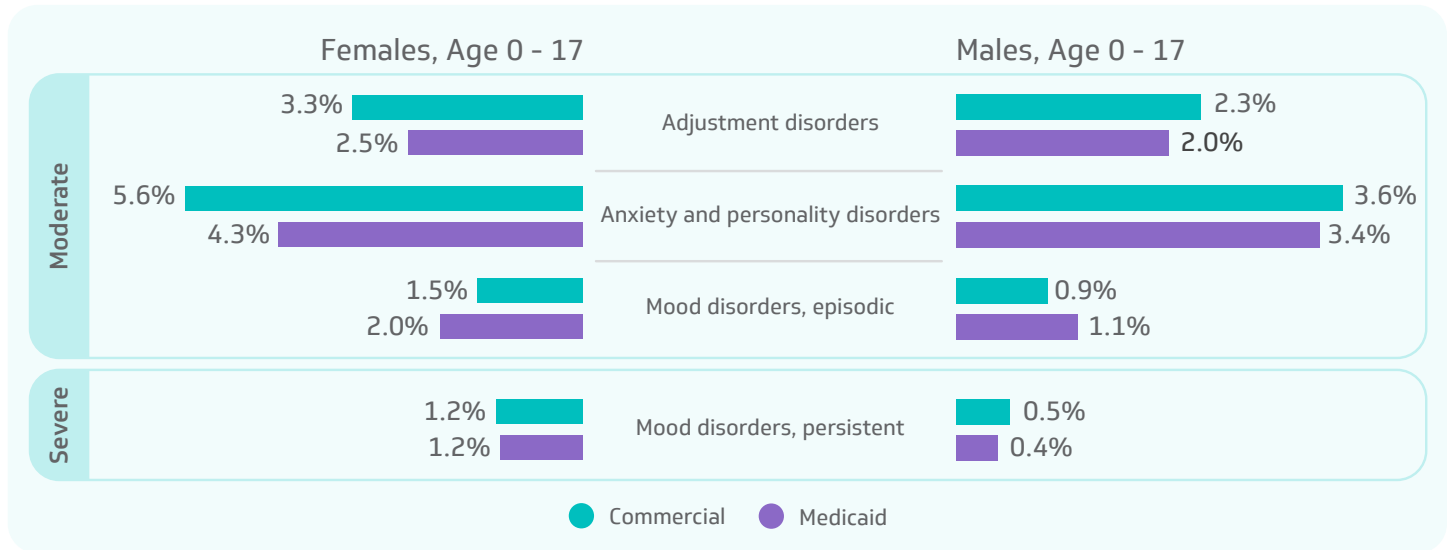


Source: Vizient Research Institute analysis of Milliman commercial and Medicaid claims data, 2021

NOTE: Please see the methodology section (Page 6) for detailed definitions of the behavioral health diagnoses noted in the figures.

In the pediatric population (Figure 2), prevalence of a behavioral health diagnosis is similar between Medicaid and commercial populations, although a smaller proportion of Medicaid patients were diagnosed with adjustment disorders and anxiety & personality disorders.

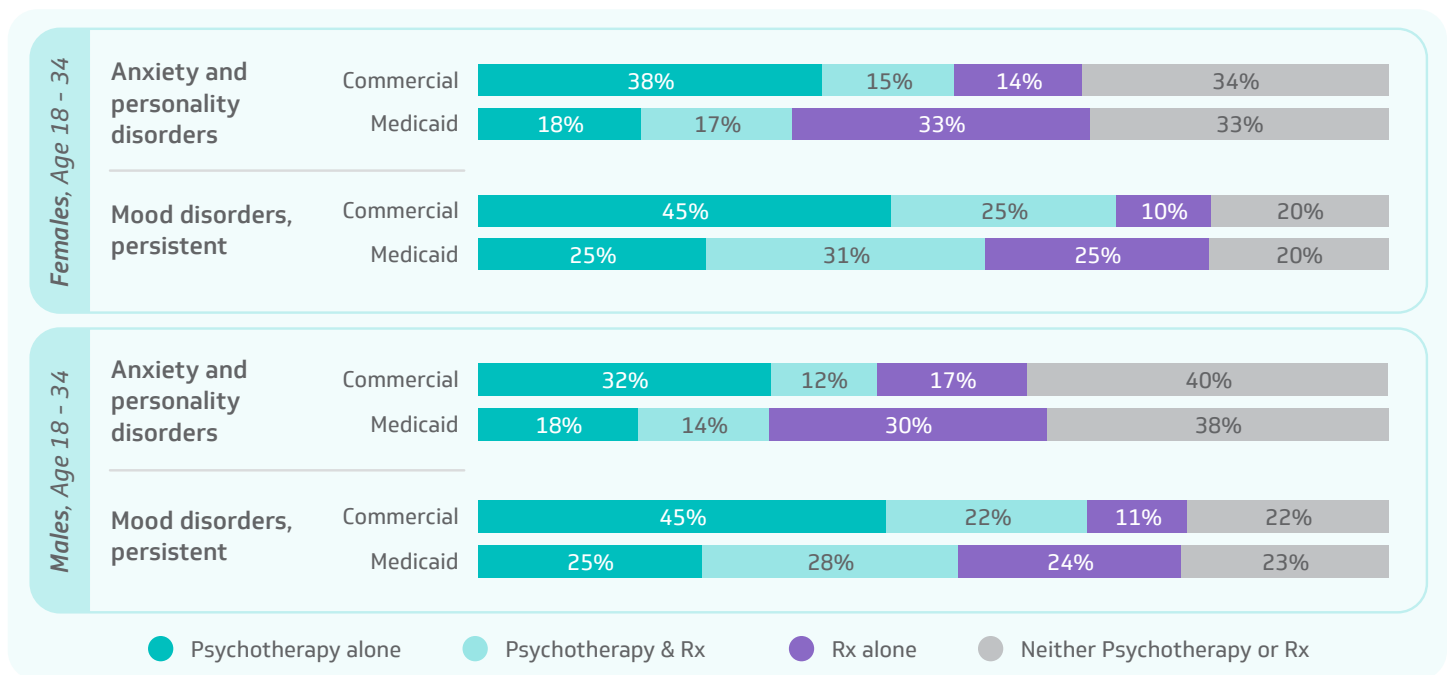
**Figure 2. Percent of population by attributed behavioral health condition, 2021**



Source: Vizient Research Institute analysis of Milliman commercial and Medicaid claims data, 2021

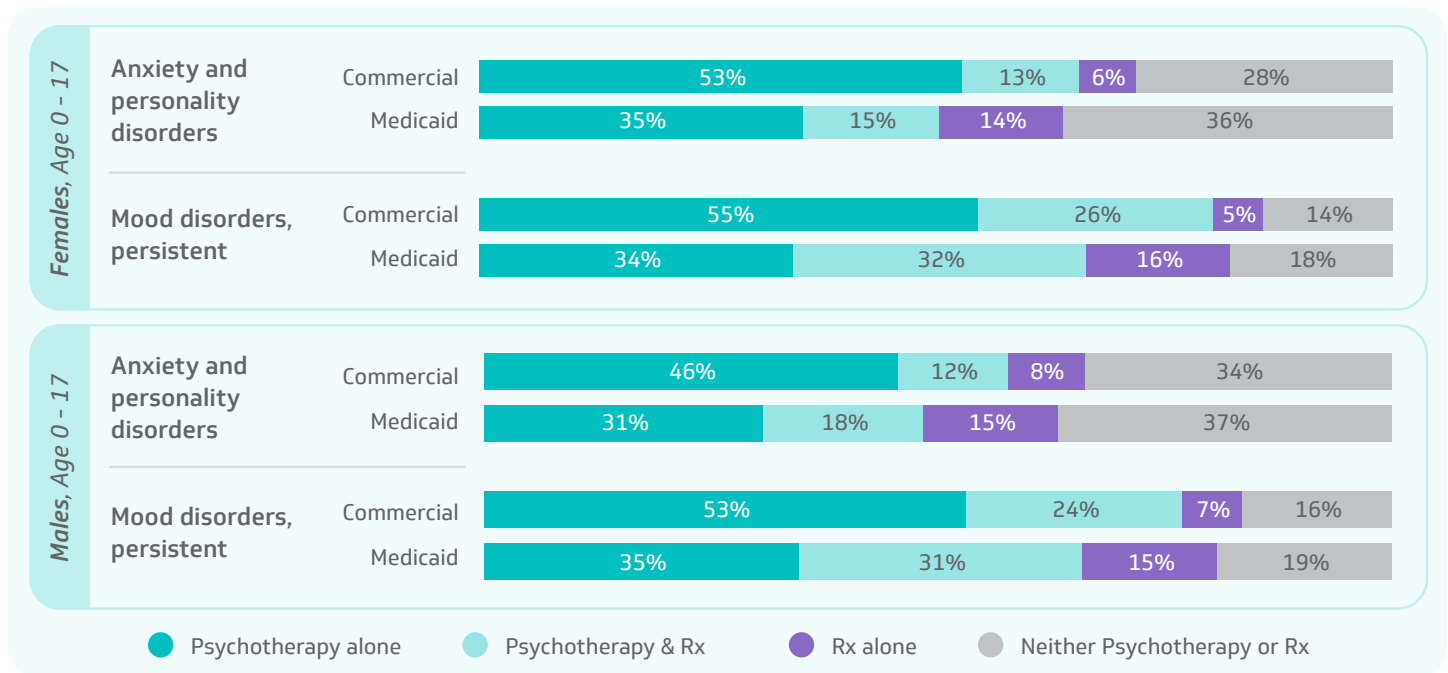
Among adult and pediatric patients with the same behavioral health diagnosis, commercial patients were more likely than Medicaid patients to receive psychotherapy – either alone or in combination with medication. Similarly, commercial patients were much less likely to receive pharmaceutical treatment alone for these diagnoses compared to Medicaid patients (see Figure 3 and 4). Adult and pediatric Medicaid patients across all behavioral health diagnoses studied were at least two times more likely than their commercially insured counterparts to receive treatment through pharmaceuticals alone, suggesting this population is more likely to receive undertreatment for behavioral health diagnoses.

**Figure 3. Proportion of patients receiving psychotherapy and/or prescriptions by attributed condition, 2021**



Source: Vizient Research Institute analysis of Milliman commercial and Medicaid claims data, 2021

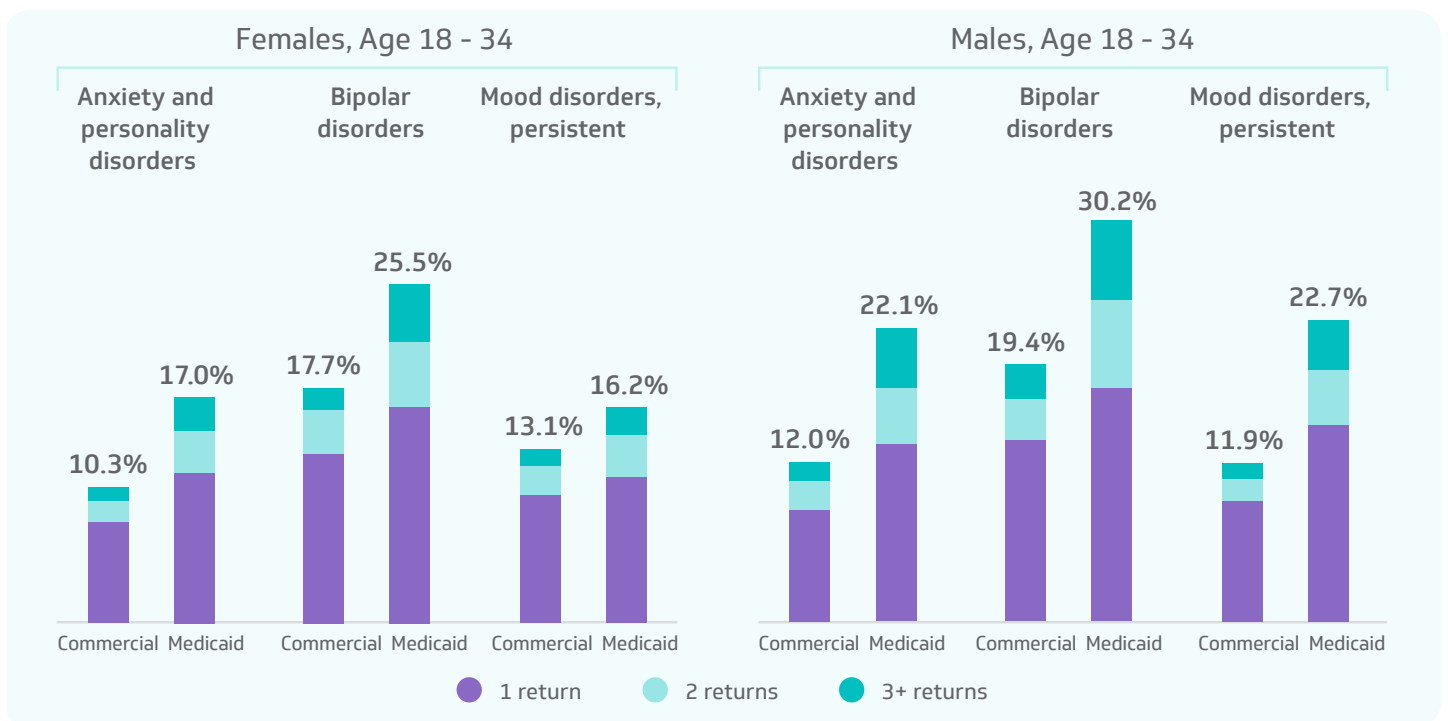
**Figure 4. Proportion of pediatric patients receiving psychotherapy and/or prescriptions by attributed behavioral health condition, 2021**



Source: Vizient Research Institute analysis of Milliman commercial and Medicaid claims data, 2021

Lack of a patient-centered approach and inadequate treatment of behavioral health conditions can lead to higher utilization of more costly health system resources such as ED visits and inpatient hospitalizations. In fact, the number of behavioral health ED visits for adult and pediatric Medicaid patients was two to six times higher compared to commercial patients. Not only were adult and pediatric Medicaid patients more likely to visit the ED for their behavioral health needs compared to commercial patients, but they were also more likely to return to the ED multiple times for their behavioral health conditions as shown in Figures 5 and 6.

**Figure 5. Percent of new ED patients in 2021 with at least one return visit in following year, by initial behavioral health condition**

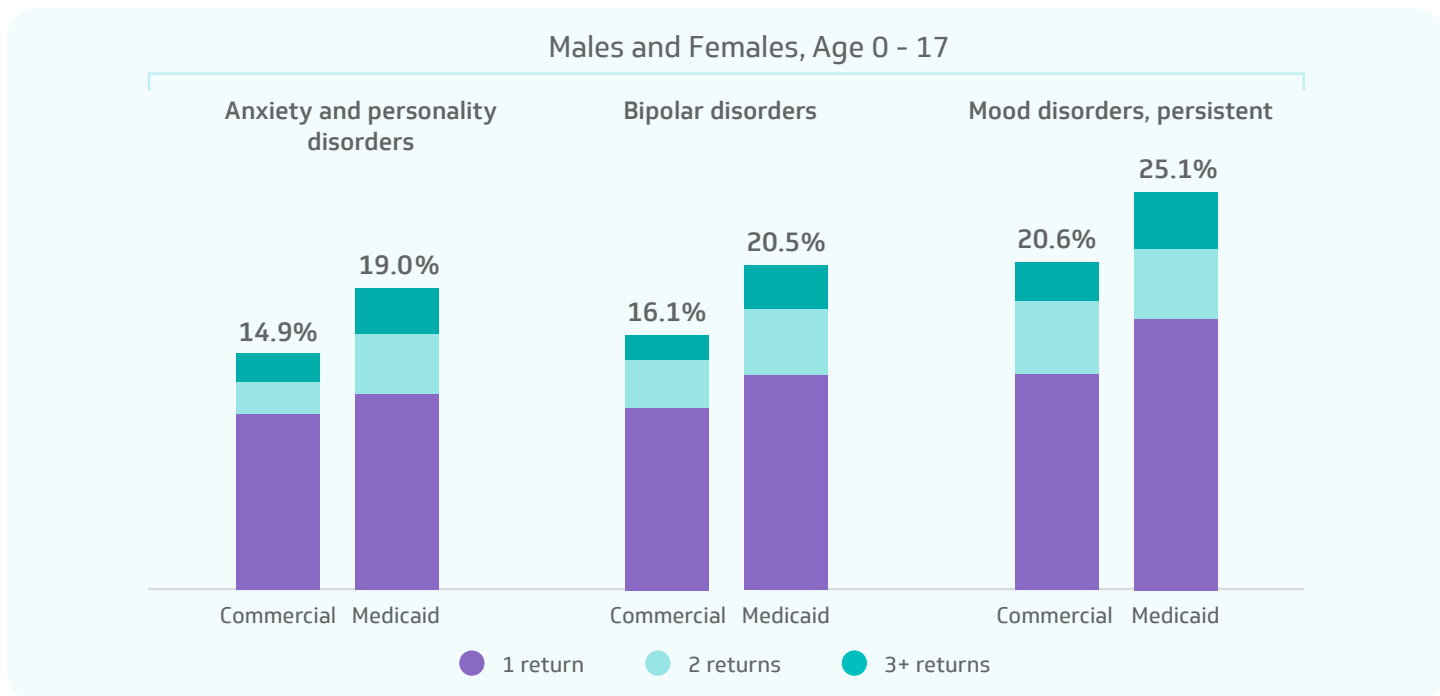


Source: Vizient Clinical Data Base, 2020-2022, used with permission of Vizient, Inc. All rights reserved.

Among the adult commercial populations who visited the ED for anxiety and personality disorders, between 10% and 12% made at least one behavioral health related return visit within one year of their initial visit whereas 17% to 22% of adult Medicaid patients with the same diagnosis had at least one return ED visit.

When assessing the pediatric population (Figure 6), similar findings were observed. Roughly 15% of commercially insured pediatric patients with anxiety and personality disorders had a least one return ED visit in the following year for a behavioral health condition vs. almost 20% of Medicaid pediatric patients.

**Figure 6. Percent of new ED patients in 2021 with at least one return visit in following year, by initial behavioral health condition**



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### Increase access, improve outcomes, reduce costs

Increasing access to mental health providers is critical for patients with behavioral health conditions, particularly in the Medicaid population. There are not enough psychiatrists or psychologists to meet the current demand for psychotherapy services and studies have shown that the country’s medical schools will not be able to train enough providers to meet the demand for the next 20 years.<sup>2,3</sup> In response, some healthcare organizations are implementing new integrated care models and/or utilizing social workers, nurse practitioners and physician assistants to address low acuity behavioral health needs. Others are leveraging virtual care to increase access especially for the vulnerable populations who oftentimes experience transportation or childcare issues preventing them from traveling to their appointments.

Upstream behavioral health needs that are not adequately managed lead to increased downstream costs through higher utilization of the health system’s most costly resources including ED visits and/or inpatient hospitalizations. Reducing economic disparities and improving access to mental health services by expanding provider supply and increasing virtual care will not only reduce unnecessary, high-cost utilization and healthcare spending but will more importantly provide a fair and appropriate standard of care and improve the quality of life for behavioral health patients and their families.

## Methodology

Milliman was commissioned by Vizient to provide data that looks at behavioral health prevalence and utilization for commercial and Medicaid populations. Milliman sent summarized data to Vizient which was used in the final behavioral health report. Milliman data presented in this report include commercially insured and Managed Medicaid members who were continuously enrolled in 2021 from Milliman's Consolidated Health Cost Guidelines Sources Data Plus (2208 version) and Merative™ MarketScan® (2208 version). Both data sets were grouped using Milliman's Health Cost Guidelines™ Grouping software which categorizes health care costs into consistent health care categories. Members were designated into clinical conditions based on the category with the highest allowed charges for 2021. Clinical conditions were defined using the primary diagnosis codes on the claim records.

Members were also categorized into treatment categories defined by Vizient. For identified members, cohorts were created based on those who received psychotherapy (which included claims with a CPT code between 90832-90882 with an ambulatory/virtual place of service code of 02, 10, 11, 12, 19, 22 or 50), and members with behavioral health (BH) prescription drug claims based on a list from the National Drug Code (NDC) associated with behavioral health conditions.

Milliman data for purposes of this analysis were limited to the following states: CA, IL, KY, MA, MI, MS, NC, OH, OR, RI, SC, TX, WA, WI. Vizient limited the analyses to these States based on the availability of commercial and Medicaid data in the Milliman database as well as Medicaid benefits in a given state.

In performing this analysis, Milliman relied on data and other information provided by contributors to Milliman's Consolidated Health Cost Guidelines Sources Database, Merative™ MarketScan® (2208 version), and Vizient. Milliman has not audited or verified this data and other information but reviewed it for general reasonableness. If the underlying data or information is inaccurate or incomplete, the results of this analysis may likewise be inaccurate or incomplete. Milliman has developed certain models to estimate the values included in this report. The intent of the models is to develop reimbursement values. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOP).

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Additional data presented in this report is from the Vizient Clinical Data Base (CDB) and is used with permission of Vizient, Inc. All rights reserved. CDB data included nearly 420,000 patients ages 0-34 with commercial or Medicaid insurance representing over 1,000 individual provider facilities from across the U.S. CDB analyses included data from 2020, 2021 and 2022.

Data was divided into 4 cohorts — males 0-17 and 18-34 and females 0-17 and 18-34 and analyzed across five diagnosis categories.

### Diagnosis category definitions

**Adjustment disorders** - disorders are characterized by abnormal and excessive reactions to identifiable life stressors that are more severe than would normally be expected and can result in significant impairment in functioning.

**Anxiety and personality disorders** – Generalized anxiety disorder involves persistent and excessive worry that interferes with daily activities. Other anxiety disorders include panic disorders and different phobias. Personality disorders involve long-term patterns of thoughts and behaviors that are different from what is considered normal in our culture. There are 10 different types including schizophrenia, borderline personality disorder, obsessive-compulsive personality disorder.

**Bipolar disorders** - a serious mental illness that causes unusual shifts in mood, ranging from extreme highs (mania or “manic” episodes) to lows (depression or “depressive” episode).

**Mood disorders, persistent** - a mental health condition that primarily affects your emotional state and can cause long periods of extreme happiness, extreme sadness or both. Certain mood disorders involve other persistent emotions, such as anger and irritability; they are recurrent and tend to be chronic.

**Mood disorders, episodic** - a mental health condition that primarily affects your emotional state but defined as single episode, differentiating them from persistent mood disorders, which are recurrent and tend to be chronic.

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## References

- 1 Mental Health America. <https://mhanational.org/issues/2023/mental-health-america-adult-data#two>
- 2 “A growing psychiatrist shortage and an enormous demand for mental health services”. AAMC News. August 9, 2022.
- 3 Satiani, A. et.al., “Projected Workforce of Psychiatrists in the United States: A Population Analysis.” American Psychiatric Association, 2018.



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