



Building a better behavioral health care system

The BH crisis is a supply and demand issue

Rising need falling on a system that can't support it

INCREASED NEED → INCREASED DEMAND → INADEQUATE SUPPLY → NEGATIVE OUTCOMES

33%

Of adults reporting symptoms of anxiety or depression in June 2022 vs 11% in June 2019

51%

Increase in adolescent psychology patients since March 2020

60%

Of psychologists report having no openings for new patients, 2022

109%

Increase in median monthly overdose deaths among youth and adolescents ages 10-19, 2019-2021

Source: "Adults Reporting Symptoms of Anxiety or Depressive Disorder During COVID-19 Pandemic," KFF, June 2022; "Drug Overdose Deaths, by Selected Sociodemographic and Social Determinants of Health Characteristics — 25 States and the District of Columbia, 2019–2020," CDC, July 2022; "2022 COVID-19 practitioner impact survey," APA, November 2022; Tanz, LJ et al., "Drug Overdose Deaths Among Persons Aged 10–19 Years," *MMWR*, Dec 2022.

The BH crisis is an equity issue

Behavioral health meta-inequity drives disparities

WITH VS WITHOUT DIAGNOSIS



Individuals with any BH condition experience worse health outcomes compared to people without a BH condition

10-25 years

Reduced life expectancy for people **with severe mental illness** compared to people without

AMONG THOSE WITH BH DIAGNOSES

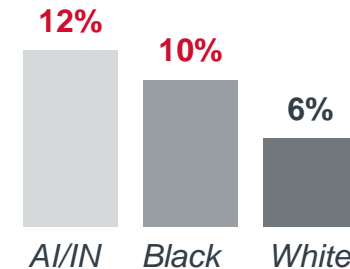


Among people with any BH condition, **people who are low-income, non-white, and/or have a serious mental illness** experience worse outcomes

2-3x

Higher likelihood of depression, anxiety, and posttraumatic stress symptoms among women with **socio-economic risk factors**

Percentage point increase in fatal overdose rate by race 2019-20



Source: Plana-Ripoll O, et al. "Nature and prevalence of combinations of mental disorders and their association with excess mortality in a population-based cohort study," *World Psychiatry*. 2020;19(3):339-49; "Vital Signs: Drug Overdose Deaths, by Selected Sociodemographic and Social Determinants of Health Characteristics — 25 States and the District of Columbia, 2019–2020," CDC, July 2022; "Change in Health-Related Socioeconomic Risk Factors and Mental Health During the Early Phase of the COVID-19 Pandemic: A National Survey of U.S. Women," Lindau et al., April 2021.

Inadequate BH system hurts all stakeholders



Clinicians

Feel unequipped to manage patient outcomes affected by BH needs



Payers

Struggle with high costs but feel limited control over improving condition management



Provider organizations

Forced to choose between neglecting BH needs or taking on financially unsustainable work



Life sciences

System access barriers make it difficult to get treatments to the right consumers



Employers

Struggle with reduced employee productivity and high turnover but feel limited by vendor options



Schools

Forced to manage student BH needs and their ripple effects without appropriate resources

Bipartisan legislative action signaling momentum

Passed June 2022



Bipartisan Safer Communities Act

- \$12.3B+ allocated for mental health services, most funding in 60 years
- 988 national suicide prevention lifeline
- Behavioral health training for PCPs and pediatricians
- Expansion of Certified Community Behavioral Health Clinic (CCBHC) program to all states
- Expansion of school-based mental health services through providers and grants

Passed Dec. 2022



Consolidated Appropriations Act (CAA) 2023

- Creation or expansion of >30 BH programs
- Medicare coverage of marriage and family therapists and mental health counselors
- 100 new Medicare-funded psychiatry or psychiatry subspecialty residency positions
- Requirement that states provide health screenings, referrals, and case management for eligible juveniles in public institutions

Proposed July 2023

HHS¹, DOL², USDT³ Propose rule to implement key CAA provisions related to mental health parity

Currently open for public comment



1. Department of Health and Human Services.

2. Department of Labor.

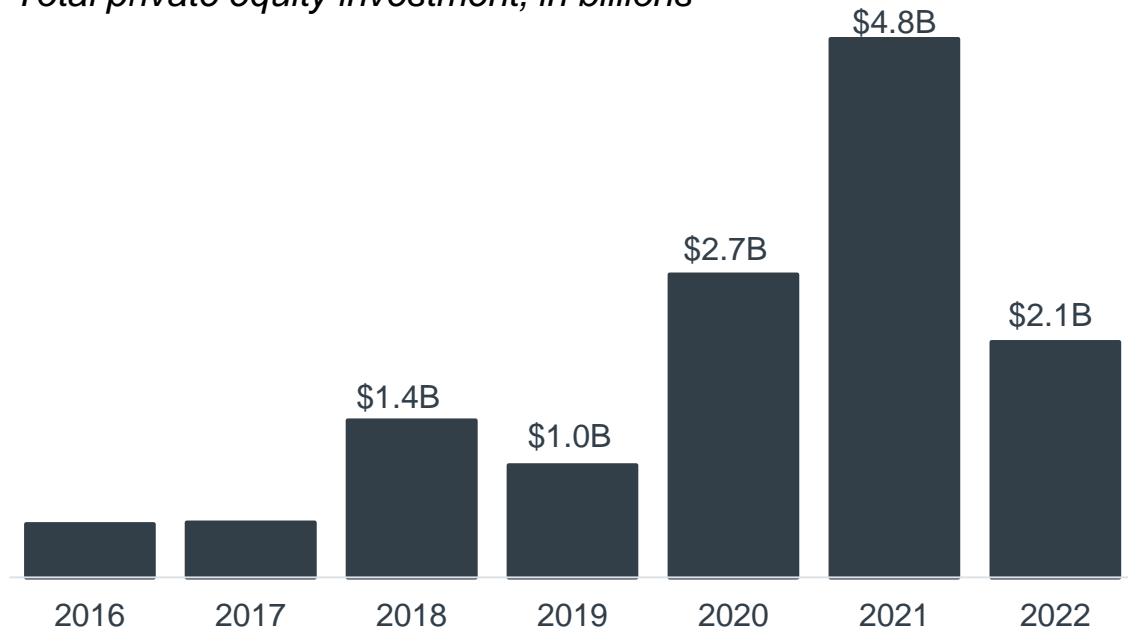
3. Treasury Department.

Source: "Here Are Key Mental Health Provisions in the Bipartisan Safer Communities Act - California Health Care Foundation," CHCF, September 2022; Source: "Consolidated Appropriations Act, 2023: Health Provisions," McDermott, December 2022.

High investment spurs innovation – but it’s not a panacea

Digital behavioral health funding¹ 2016-2022

Total private equity investment, in billions



Potential risks of increased focus on digital behavioral health tools



Exacerbated inequities as most digital tools are designed for low-acuity, higher income consumers



Uneven or unproven quality of care across startups, particularly around prescribing practices



Increased **fragmentation of care** as more care is delivered through players disconnected from the rest of the continuum

1. Data from 2016-2017 represents digital behavioral health funding; data from 2018-2022 represents digital mental health funding.

Source: "A defining moment for digital behavioral health: Four market trends," Rock Health, March 2021; "2022 year-end digital health funding: Lessons at the end of a funding cycle," Rock Health, October 2022

Five root causes of BH care dysfunction, inequity



Stigma toward people with BH conditions



Unaddressed **social determinants of health**



Insufficient research around conditions and treatments



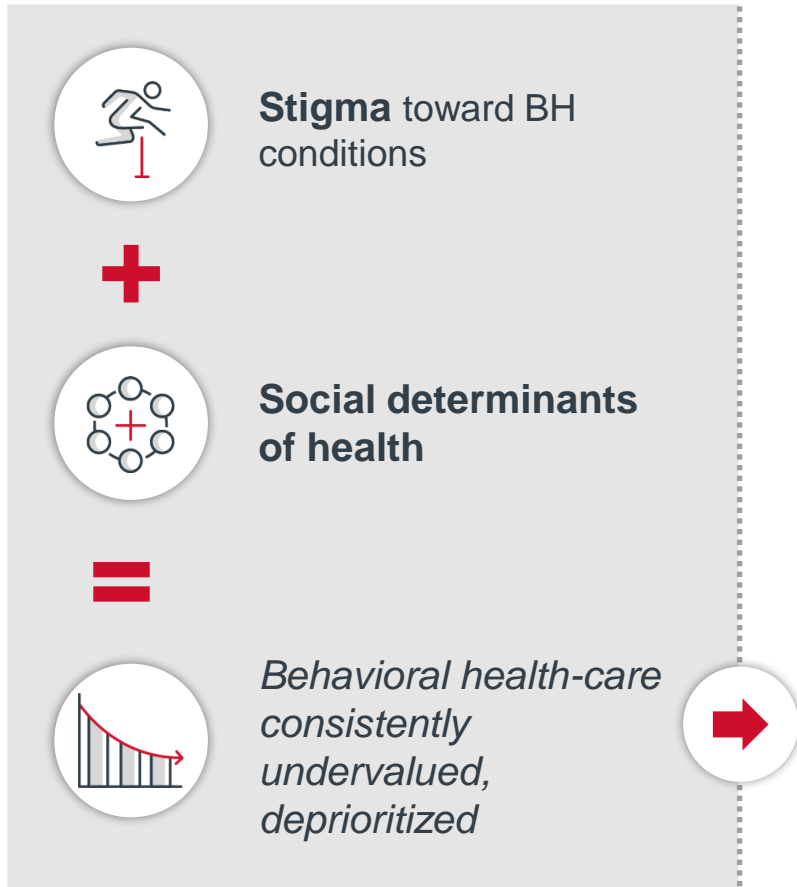
Low reimbursement rates for behavioral health care services and providers



Behavioral health **clinician shortage**

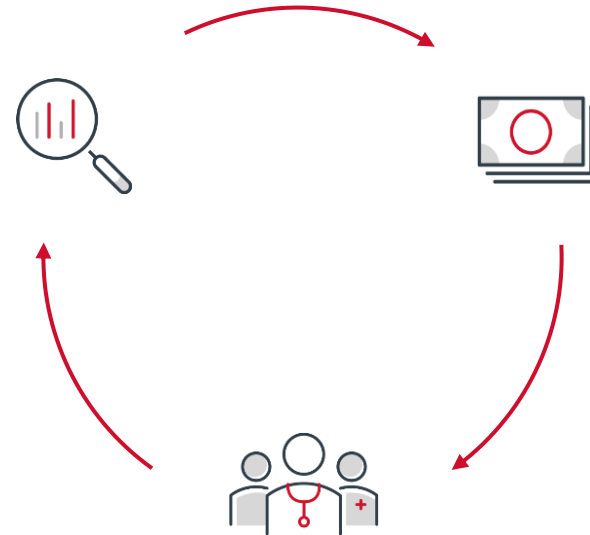
Underinvestment in BH led to compounding barriers

Systematic deprioritization of BH care created conditions for self-reinforcing structural issues



Less research

- Variation in quality between providers
- Disagreement between providers and payers on the right care for each patient



Lower reimbursement rates

- Provider organizations choose not to offer BH services
- Providers that offer BH services operate outside of insurance market

Fewer clinicians

- Stigma, pay, and burnout deter providers entering the field
- Insufficient supply of providers to meet patient need based on geography, condition, cultural needs, and insurance

Five target areas to strengthen our BH system



Stigma toward people with BH conditions



Unaddressed **social determinants of health**



Insufficient research around BH conditions and treatments



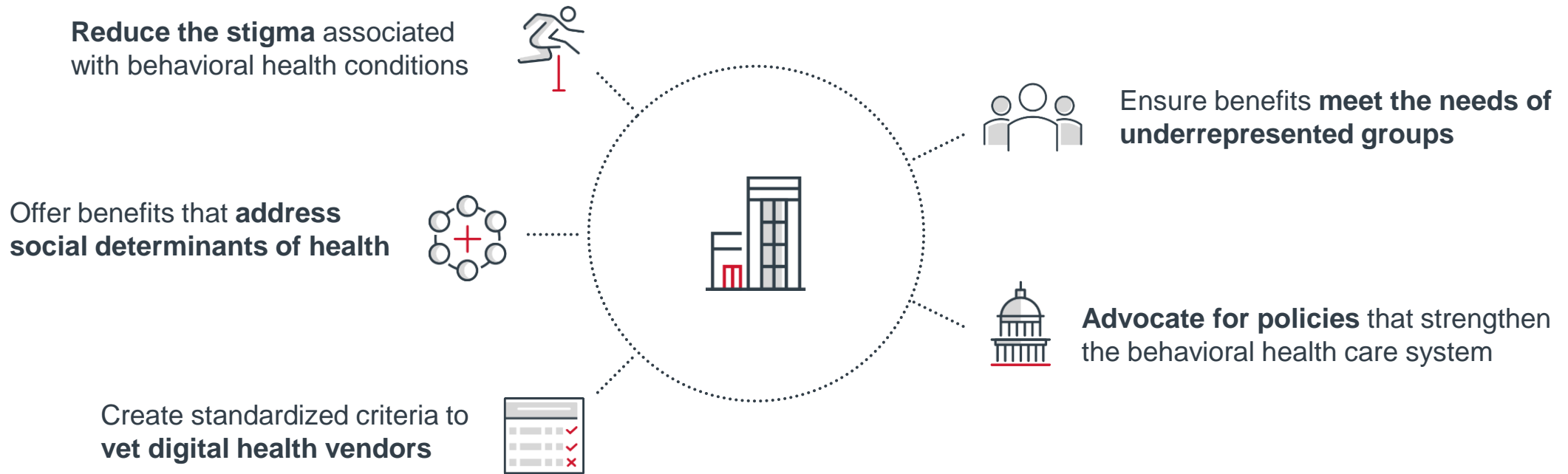
Low reimbursement rates for behavioral health care services and providers




Behavioral health **clinician shortage**

Employer role in building a stronger BH system

To build a stronger BH system, employers should...




 Review our collection of [playbooks](#) for more.

Employer role in building a stronger BH system

Employers should...	What this looks like
1. Offer benefits that address social determinants of health	<ul style="list-style-type: none">• Parental leave, childcare options, transportation benefits, loan forgiveness, housing support• Adjust sick leave policies to include mental health days• Regularly assess compensation to align wage growth to inflation
2. Reduce the stigma associated with behavioral health conditions	<ul style="list-style-type: none">• Provide behavioral health literacy training to all leaders and employees to create a culture that normalizes behavioral health support• Assess utilization and effectiveness of resources like Employee Assistance Programs• Solicit employee feedback on how well existing behavioral health benefits are meeting their needs and what behavioral health services would be beneficial to them• Share feedback across the organization and create time-bound plans to address needs surfaced by employees
3. Create standardized criteria for vetting digital health vendors	<ul style="list-style-type: none">✓ Services and tools are research-backed with demonstrated quality and safety outcomes✓ Platforms are easily navigable for employees with differing levels of digital literacy✓ Platforms allow employees to select and schedule the support that best meets their needs✓ Provider networks are not “phantom” networks✓ Provider networks include substance use and serious mental illness providers

Employer role in building a stronger BH system

Employers should...	What this looks like
4. Ensure benefits meet the needs of under-represented groups	<ul style="list-style-type: none">• Use workforce REGAL (race, ethnicity, gender, age, language) data and employee input to identify underrepresented groups• Ensure provider network includes providers equipped to deliver culturally-sensitive care
5. Advocate for policies that strengthen the behavioral health care system	<ul style="list-style-type: none">• Address social determinants of health through efforts to alleviate poverty; support research and funding for harm reduction services• Improve affordability through enforcement of BH parity, setting standard baselines for BH benefits, raising Medicare and Medicaid rates for BH services• Expand workforce supply through expanding the collaborative care model, supporting training and reimbursement for peer support and community health workers• Build a clinical evidence base through supporting collaborative efforts to define “quality” and “recovery” metrics, increasing funding for academic research into BH conditions and treatments, and requiring health plans to cover community-based treatment models.

 Review our collection of [playbooks](#) for more.

Bottom line: The BH crisis won't change – unless we do

Key takeaways



- The BH crisis is a supply and demand issue and an equity issue
- Digital tools are not a panacea – and don't address all patients equally
- Tackle these drivers of dysfunction and inequity to achieve structural change:
 - Stigma
 - SDOH
 - Lack of research
 - Low reimbursement
 - Workforce shortage

To learn more, check out our resources:

The behavioral health
crisis won't change —
unless we do

 advisory.com/behavioralhealth



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