

Comparing the Differences in Mental Health Care Coverage Between US Public and Private Healthcare Insurers

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Background

Mental health is a significant concern in the US, with over one in five adults experiencing a mental illness (1). This widespread issue affects individuals across all demographics, highlighting the urgent need for accessible mental health care. Mental health services are a clear priority in the US healthcare system, which is reflected in the requirement for individual and family plans sold through the Health Insurance Marketplace® to include mental health services, as mandated by the ACA (2, 3). These plans must cover essential mental health and SUD treatments, collectively referred to as 'behavioral health services', ensuring that individuals and families have access to necessary care and support (4).

The US healthcare system is a mixed payer system, where, for example, public health insurance is provided by CMS, which coexists with private health insurance plans (5). CMS is a federal agency within the Department of Health and Human Services, which provides coverage to more than 100 million people through Medicare, Medicaid, and the State CHIP (6).

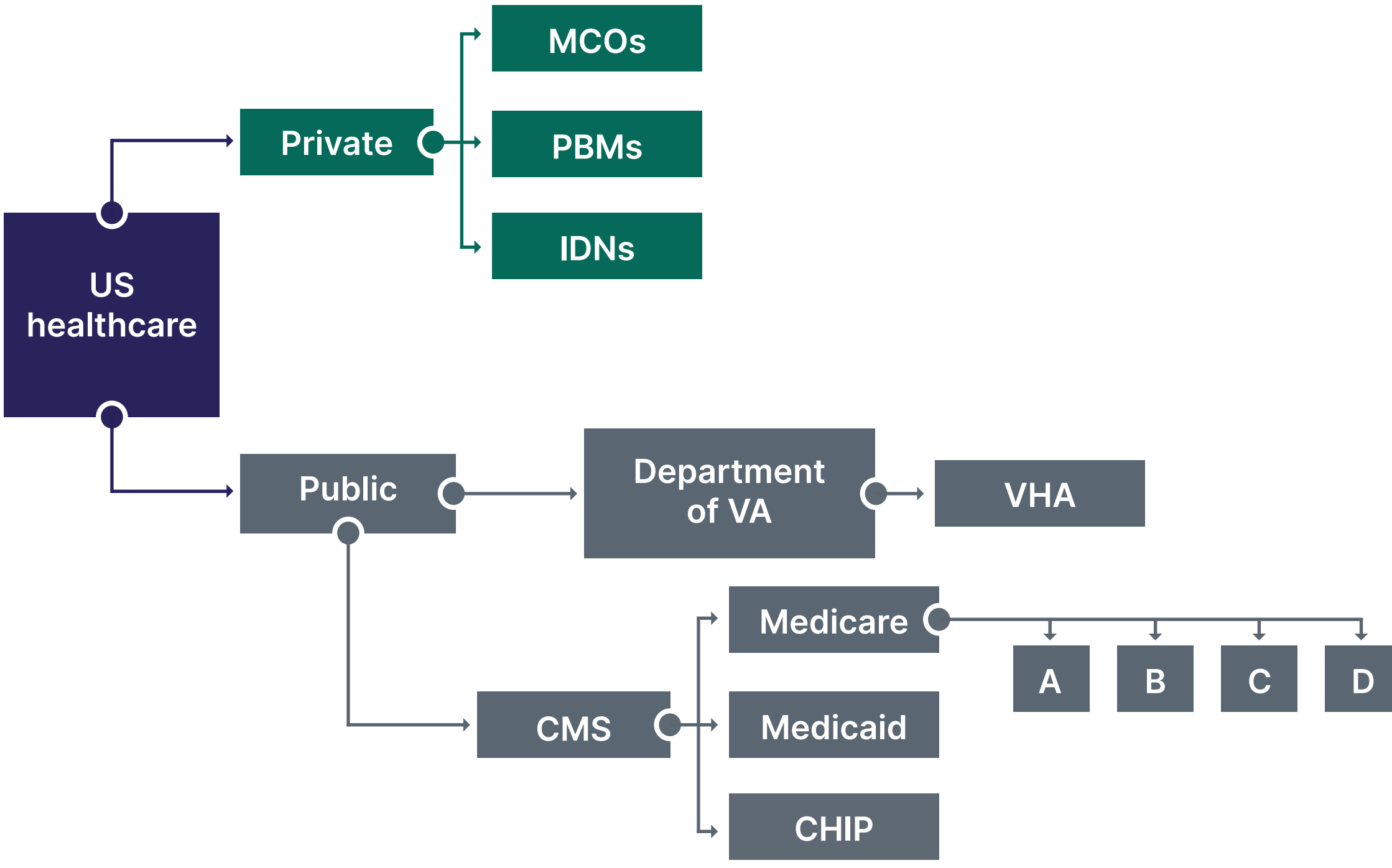
Medicare is a single-payer national health insurance program. Funding for the program comes from taxes, premiums, surtaxes from beneficiaries, and general federal revenue. It primarily provides health insurance for people who are aged 65 years and older, with additional coverage provided to those with certain disabilities or conditions (6, 7). Coverage for Medicare is broken down into four specific components (6, 7):

- Part A: Inpatient hospital costs, skilled nursing, and hospice services
- Part B: Outpatient physician services
- Part C: An alternative to traditional Medicare, enabling patients to select private plans that offer similar benefits as Parts A, B, and D (also known as Medicare Advantage)
- Part D: Prescription drug coverage

Medicaid is a joint federal and state program that provides coverage for patients with limited income and resources, whilst CHIP provides health insurance to children in families with incomes that are modest but too high to qualify for Medicaid (6, 7).

Generally, in the US, health insurance plans fall into private or public insurance; private is the most common method of coverage (8). Private insurance is a contract between the insurance company and the member that requires the insurer to pay a proportion of or all of the medical expenses in return for a premium. Private insurance can be provided via an employer, the ACA Health Insurance Marketplace, or directly from the health insurance company (8) (Figure 1).

Figure 1: US healthcare system (4-8)



Objectives

Whilst mental health is a clear priority, reflected, for example, in the requirement for individual and family plans sold through the Health Insurance Marketplace to include mental health services (2-4), coverage levels vary among insurers. This study aimed to identify the differences between public and private payment policies, coverage decisions, and clinical guidelines related to mental health.

Methods

A targeted literature review was conducted on the main publicly funded healthcare schemes and the three largest US healthcare insurance companies to determine the differences in healthcare coverage related to mental health.

Results

CMS publicly shares comprehensive details about its mental health provision and has published a specific Behavioral Health Strategy aimed at improving access to and the quality of mental health services for CMS beneficiaries and consumers (9). Among public bodies, Medicaid and CHIP are the largest national payers for behavioral health services (10). However, specific details of the services covered by Medicaid and CHIP are not explicitly listed on the Medicaid webpage, unlike Medicare plans, which have several documents publicly available detailing the services included in each plan (11, 12). Among these, Medicare Part B offers the most extensive services, including care planning, ongoing assessments, medication, counseling, and other recommended treatments. This is largely due to the fact that most mental health services are delivered on an outpatient basis rather than inpatient (see Table 1). Medicare Part C may offer further benefits in addition to those listed in Part B, however these are subjective to the individual's plan details (12).

In 2024, three of the top private health insurers in the US were identified as UnitedHealth Group, Elevance Health (formerly known as Anthem), and Kaiser Permanente (see Figure 2) (13). All three providers demonstrate existing mental health coverage, however the details in the public domain vary between insurers. In addition to this, the amount of coverage received is dependent on the type of insurance plan held with each company (see Table 2).

Educational resources are provided by all three private providers. Elevance Health offers several documents highlighting the connection between chronic health conditions and depression, as well as the significance of telehealth during the COVID-19 pandemic (19). Meanwhile, Kaiser Permanente focuses on educational materials about substance use disorders and childhood trauma related to the pandemic (20). UnitedHealth Group's documents primarily guide employees towards mental health care services (21).

The range of mental health disorders covered by CMS is more limited compared with private insurers. However, it is important to note that this information is based on publicly available data. Insurance providers may cover additional mental health disorders that are not publicly listed. To find out about the specific coverage details, individuals are advised to log into their insurance portal, as coverage can vary depending on the plan (see Figure 3).

Figures and Tables

Table 1: Overview of Medicare mental health coverage (11, 12)

Insurance plan	Example conditions covered [†]	Setting	Example services covered [†]	Services not provided [†]
Medicare Part A		Inpatient services provided when admitted to a general or psychiatric hospital	Semi-private rooms; meals; general nursing; drugs (including methadone); any other services and supplies as part of inpatient treatment	Private duty nursing; a phone or television in hospital room; personal care items, e.g., toothpaste, slippers, socks, etc.; a private room unless medically necessary
Medicare Part B	Depression; opioid use disorder; tobacco use; alcohol misuse; anxiety	<ul style="list-style-type: none">• Inpatient services provided by a doctor or healthcare provider while in the hospital• Intensive outpatient program services at hospitals, community mental health centers, Federally Qualified Health Centers, Rural Health Clinics, or Opioid Treatment Programs• Outpatient services typically received outside of hospital, such as in a doctor's office or community mental health center, including SUD treatment• Partial hospitalization services through hospital outpatient departments or community mental health centers, if certain requirements are met• Behavioral health integration services to manage care for health conditions	One depression screening per year; individual psychotherapy; family counseling; psychiatric evaluation; medication management; one welcome to Medicare preventative list; intensive outpatient services; mental health services for treatment of SUD	Meals; transportation to or from mental health care services; support groups; testing or training for job skills
Medicare Part D		Outpatient prescription drugs to treat mental health conditions	All antidepressant; anticonvulsant; and antipsychotic medications listed on formulary	Medicines not listed on formulary

[†] This information is sourced from publicly available data and is not exhaustive.

Table 2: Private insurers' mental health coverage (14-18)

Private insurer	Example conditions covered [†]	Example services provided ^{††}	Example services not provided [†]
UnitedHealth Group	Anxiety; stress; isolation; depression; OCD; SUD; etc.,	In-person/virtual visits; emotional support via phone or mobile app	N/A
Elevance Health	Depression; anxiety and stress; alcohol abuse; infertility concerns; grief and loss; learning disabilities	Behavioral health treatment including in-person and virtual psychotherapy and counseling; inpatient services; psychological testing; prescribed medication management; SUD treatment including rehabilitation programs or counseling	Life coaching, career counseling or holistic treatment modalities, e.g., aromatherapy, massage therapy, or non-medically required acupuncture; energy work, e.g., reiki healing
Kaiser Permanente	Addiction; alcohol use disorder; anxiety and panic disorders; ADHD; autism spectrum disorder; bipolar disorder; depression; eating disorders; OCD; personality disorders; post-partum depression	In-person psychotherapy and telehealth services; digital therapeutics; individual therapy medication; group therapy; health classes; self-help resources; personalized care plan	N/A

[†] This information is based on publicly available data and is not exhaustive.

^{††} Coverage varies depending on the specific health plan selected.

Figure 2: Market share percentage of the top 10 largest private health insurance companies in 2024 (13)

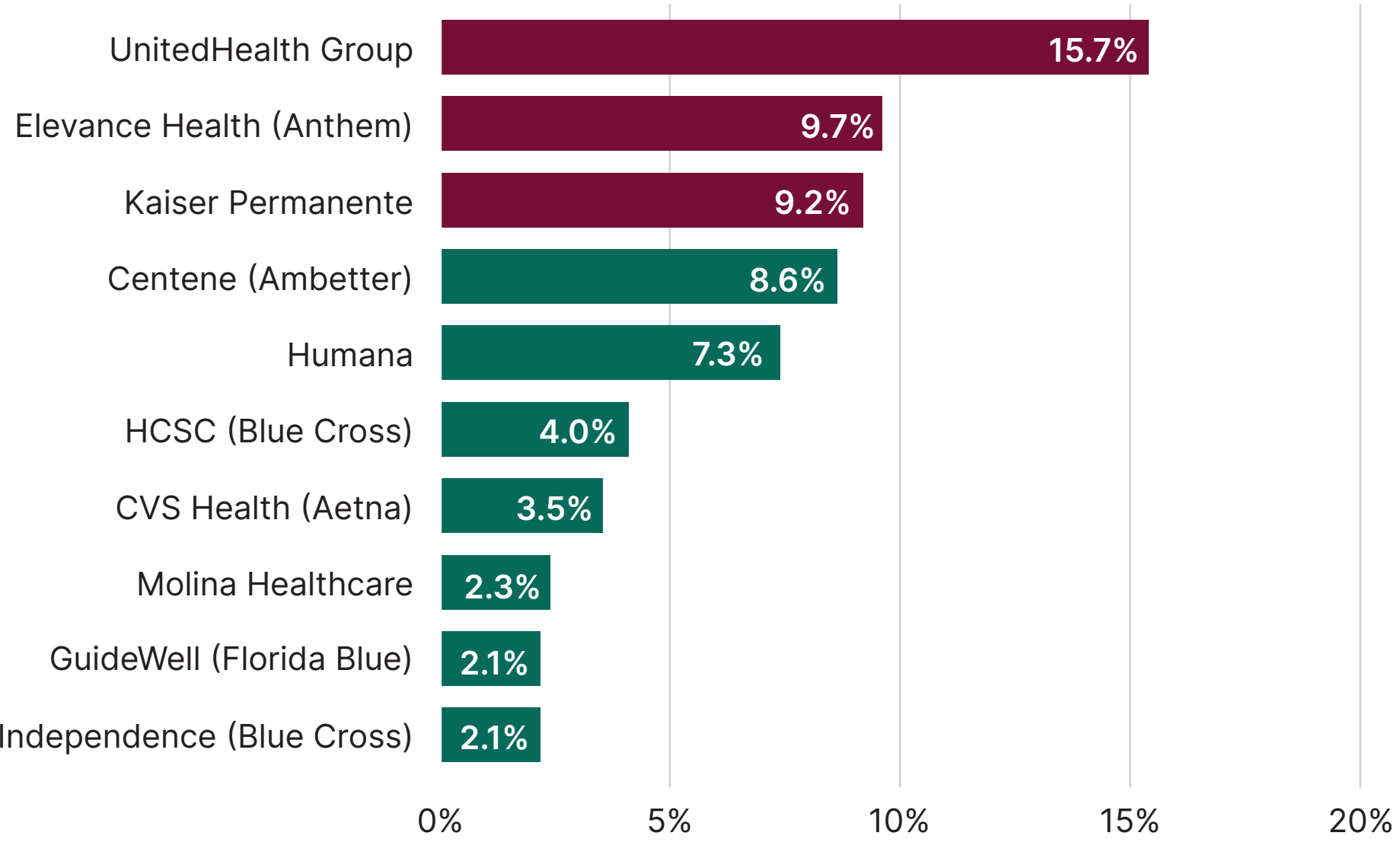
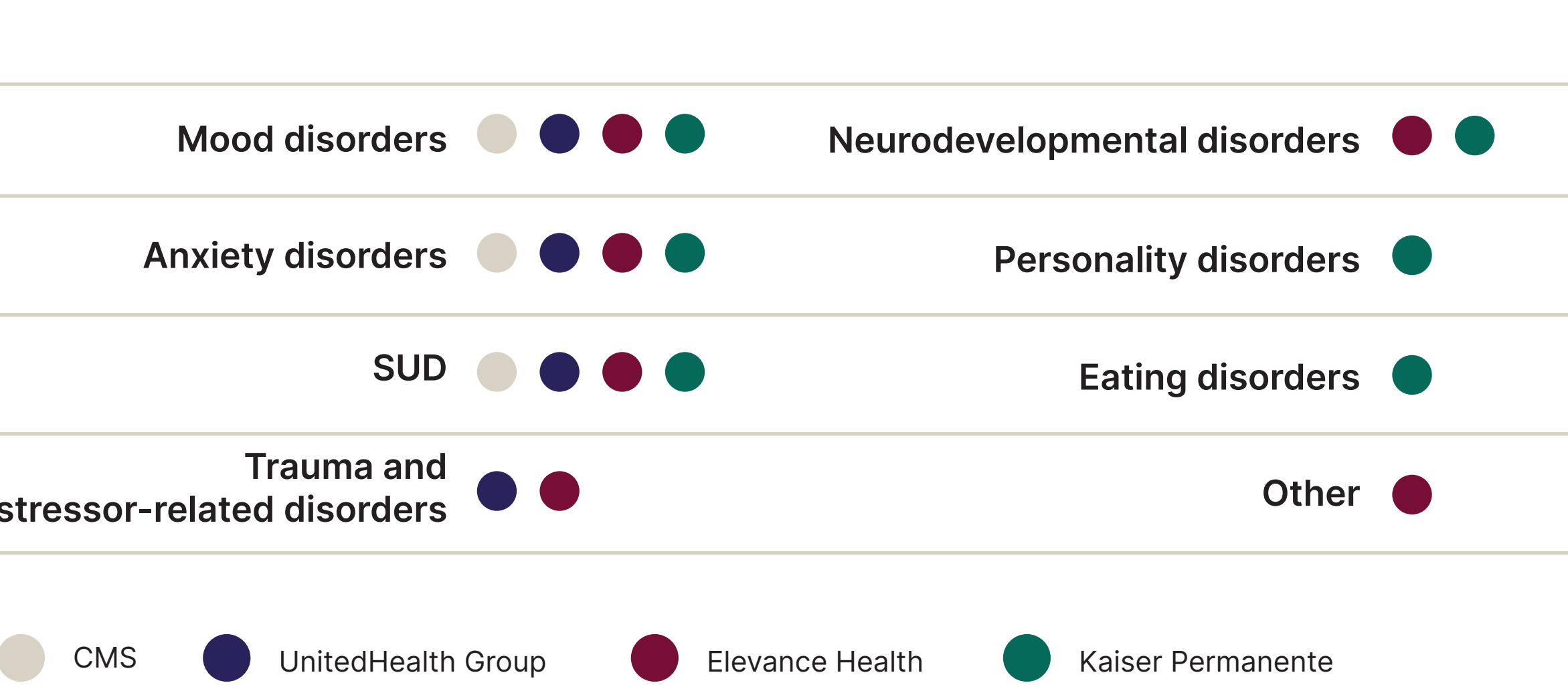


Figure 3: Explicitly listed coverage in publicly available documents: Types of mental health disorders covered by public and private insurers (11, 12, 14-18)



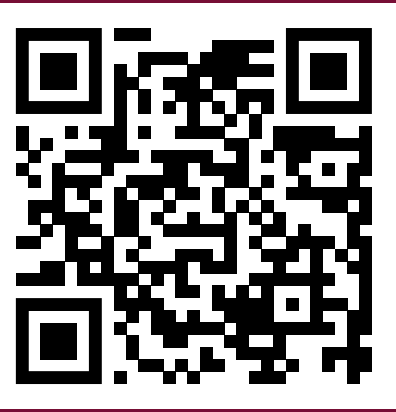
Conclusion

Publicly available data indicate that mental health coverage may vary between CMS and private insurers, potentially leading to inconsistent access for patients. The limited transparency of insurers' policies underscores the challenges in understanding coverage details, highlighting the need for greater transparency and consistency in mental health coverage across the US healthcare system.

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Abbreviations

ACA, Affordable Care Act	MCO, managed care organization
ADHD, attention deficit hyperactivity disorder	N/A, not available
CHIP, Children's Health Insurance Program	OCD, obsessive compulsive disorder
CMS, Centers for Medicare and Medicaid Services	PBM, pharmacy benefit manager
HCSC, Health Care Service Corporation	SUD, substance use disorder
IDN, integrated delivery network	VA, Veterans Affairs
	VHA, Veterans Health Administration