

ADDICTION AND MENTAL HEALTH VS. PHYSICAL HEALTH

Analyzing disparities in network use and provider reimbursement rates in California

OVERVIEW OF MILLIMAN REPORT AND NATIONAL FINDINGS

A national study by the Milliman Group revealed that out-of-network use of behavioral health care services was significantly higher than medical/surgical out-of-network utilization, and physical health care providers routinely receive significantly higher payment from insurers for the same type of services. **This data presents a stark picture of restricted access to affordable mental health and substance use treatment in an era of escalating suicide rates and opioid overdose deaths.**



OFFICE VISIT NETWORK UTILIZATION RATES FOR PPO PLANS

		Out of Network Primary Care	Out of Network Specialists	Out of Network Behavioral	Higher BH OON Compared to Primary Care	Higher BH OON Compared to Specialists	# of Primary Care	# of Claims Specialists	# of Claims Behavioral
2013	All States	3.8%	5.1%	19.00%	5.04x	3.71x	76,050,544	60,865,692	20,197,801
	California	4.9%	8.0%	31.7%	6.52x	3.97x	5,163,749	4,739,537	2,105,051
2014	All States	4.0%	5.1%	19.2%	4.79x	3.74x	78,809,092	63,866,757	21,296,001
	California	4.9%	7.3%	30.9%	6.33x	4.21x	4,993,844	4,971,644	2,392,323
2015	All States	3.7%	5.2%	18.7%	5.14x	3.61x	60,290,021	51,642,748	16,965,666
	California	5.7%	9.0%	32.1%	5.68x	3.57x	1,933,783	2,248,700	1,044,734

NATIONALLY IN 2013, PEOPLE WERE

504%

more likely **to go out of network** for behavioral health office visits compared to primary care visits

371%

more likely **to go out of network** for behavioral health office visits compared medical/surgical specialist visits

IN CALIFORNIA IN 2013, PEOPLE WERE

652%

more likely **to go out of network** for behavioral health office visits compared to primary care visits

397%

more likely **to go out of network** for behavioral health office visits compared medical/surgical specialist visits



California's disparity is the 7th WORST in the nation.



INPATIENT FACILITY NETWORK UTILIZATION FOR PPO PLANS

		Out of Network Med/Surg	Out of Network Behavioral Health	Higher Rate of BH OON Use	# of Claims Med/Surg	# of Claims Behavioral
2013	All States	3.4%	9.6%	2.83x	2,671,147	178,086
	California	2.9%	14.1%	4.91x	145,628	11,311
2014	All States	4.0%	11.3%	2.84x	2,689,397	184,394
	California	2.9%	15.0%	5.12x	144,704	11,055
2015	All States	4.0%	16.7%	4.15x	2,170,753	161,919
	California	3.8%	28.2%	7.41x	66,167	6,434

NATIONALLY IN 2013, PEOPLE WERE

283%

more likely to go out of network for behavioral health inpatient care than med/surg inpatient care



WHICH ROSE TO

415%

IN 2015.

IN CALIFORNIA IN 2013, PEOPLE WERE

491%

more likely to go out of network for behavioral health inpatient care



WHICH ROSE TO

741%

IN 2015.

This is a disparity nearly twice the national average, placing California among the 12 WORST STATES in the nation.

OUTPATIENT FACILITY NETWORK UTILIZATION FOR PPO PLANS

		Out of Network Med/Surg	Out of Network Behavioral Health	Higher Rate of BH OON Use	# of Claims Med/Surg	# of Claims Behavioral
2013	All States	5.3%	15.6%	2.97x	9,011,191	1,632,245
	California	4.7%	28.5%	6.10x	247,008	82,559
2014	All States	5.6%	22.5%	4.03x	9,644,388	1,877,701
	California	4.4%	38.4%	8.71x	260,262	111,221
2015	All States	5.5%	31.6%	5.76x	8,850,537	1,890,969
	California	6.3%	47.9%	7.58x	198,024	102,989

NATIONALLY IN 2013, PEOPLE WERE

297%

more likely to go out of network for behavioral health outpatient care than med/surg inpatient care



WHICH ROSE TO

576%

IN 2015.

IN CALIFORNIA IN 2013, PEOPLE WERE

610%

more likely to go out of network for behavioral health outpatient care



WHICH ROSE TO

758%

IN 2015.

This is a disparity over twice the national average, placing California among the 10 WORST STATES in the nation.

IN NETWORK PROVIDER PAYMENT LEVELS RELATIVE TO MEDICARE PPO PLANS

		Primary Care	Specialists	Behavioral	Higher Primary Care Payment Compared to Behavioral	Higher Specialist Payment Compared to Behavioral
2013	All States	112.1%	110.1%	92.8%	20.7%	18.5%
	California	110.0%	109.7%	99.5%	10.5%	10.2%
2014	All States	114.6%	111.9%	94.0%	22.0%	19.1%
	California	112.5%	111.1%	96.9%	16.1%	14.7%
2015	All States	115.2%	111.3%	95.1%	21.2%	17.1%
	California	127.1%	129.4%	99.3%	27.9%	30.3%

IN 2015, PRIMARY CARE PROVIDERS RECEIVED

27.9%

Higher reimbursements than behavioral health providers for the very same office visits billed under identical or similar codes.

ABOUT THE KENNEDY FORUM

Founded in 2013 by former Congressman Patrick J. Kennedy (D-R.I.), The Kennedy Forum leads a national dialogue on transforming the health care system by uniting mental health advocates, business leaders, and government agencies around a common set of principles, including full implementation of the Federal Parity Law. The Forum aims to achieve health equity by advancing evidence-based practices, policies, and programming for the treatment of mental health and addiction.

The Milliman Research Report on mental health and addiction disparities was commissioned by the Mental Health Treatment and Research Institute LLC, a not-for-profit subsidiary of The Bowman Family Foundation. 2017.

<http://www.milliman.com/uploadedFiles/insight/2017/NQTLDisparityAnalysis.pdf>