

# Something Doesn't Add Up



People with behavioral  
*and* physical health  
conditions drive up  
total health care costs.



## BUT

Spending for behavioral  
health treatment is only  
a small portion of total  
health care spending.

### THE PROOF



A new report by Milliman, Inc. —“How do individuals with behavioral health conditions contribute to physical and total healthcare spending?”— analyzed claims data for 21 million commercially insured individuals to identify the prevalence of patients with behavioral health conditions (mental health conditions and substance use disorders) within the total patient population and among the highest-cost patients; the contribution of individuals with these behavioral health conditions to total health care costs; and the levels of spending on physical (medical/surgical) and behavioral health treatment.

### THE DATA

Key Results from 2020 Milliman Report:

- Of the 21 million individuals studied, **27%** had a behavioral health condition. These individuals made up **56%** of total health care costs—their costs were **2.8 to 6.2 times higher** (depending on the condition) than costs of people without a behavioral health condition.
- **5.7%** of entire study population—high-cost patients with both behavioral and physical health conditions—accounted for **44%** of all health care spending.
- **50%** of all patients with behavioral health conditions had less than **\$68** of total annual spending for behavioral health treatment.
- Over **95%** of health care spending in the study was on physical health treatment.



### THE ISSUE



When people with behavioral AND physical health conditions are only treated for physical health, everyone loses: patients, providers, insurers, and the entire health care system.

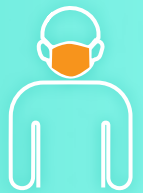
When people with behavioral AND physical health conditions are identified early and treated with evidence-based behavioral treatment, improved outcomes and savings are achievable.

We can no longer ignore the connection between behavioral health and physical health!

### THE RED FLAG

The COVID-19 pandemic may worsen this situation due to serious behavioral health implications. More people are suffering from increased anxiety and depression, PTSD, substance use disorders, and more.

While the Milliman report did not study the effect of COVID-19 on behavioral health, its analysis of 2017 claims data does provide a baseline for estimating the potential impact of the pandemic on the treatment of behavioral health conditions and medical spending.



### WHAT NOW?

Learn more through **The Path Forward**, a unique private sector initiative to drive market-based improvements in behavioral health treatment and health care equity, at <https://www.nationalalliancehealth.org/pathforward>



*The Milliman study was commissioned by The Path Forward for Mental Health and Substance Use and funded by the Mental Health Treatment and Research Institute LLC, a tax-exempt subsidiary of The Bowman Family Foundation.*