

# Integration of Physical and Behavioral Health in Medicaid Managed Care

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## OVERVIEW

**It is critical to address the fragmentation in the delivery of physical healthcare and treatment of mental health conditions and/or substance use disorders. In Medicaid, managed care organizations (MCOs) are leading integration efforts in partnership with states to improve outcomes and reduce costs.**

One in five Medicaid beneficiaries has a mental health condition and/or substance use disorder and 60 percent of those individuals also have chronic physical health conditions. But owing to the siloed delivery and payment of physical health, mental health, and substance use disorder services, Medicaid beneficiaries too often receive uncoordinated care, leading to poorer health outcomes and higher costs.

States are experimenting with a range of integration approaches in partnership with MCOs. While many efforts are still in their early stages—and the impact of these efforts is not yet known—analyses of longer standing Medicaid managed care programs demonstrate program savings and improved health outcomes.

### Topics

- The case for integration
- Models for fully integrated care
- How policymakers can support integration

## RELATED INSIGHTS

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[Connecting Medicaid Beneficiaries to Social Supports for Mental Health and Substance Use Disorders](#)

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[Strategies for Effective Sharing of Behavioral Health Information in Medicaid Managed Care](#)

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[Value-Based Care Models for Mental Health and Substance Use Services in Medicaid](#)