

Overview of the **Behavioral Health System** in the United States

The behavioral health (BH) service system in the United States is complex. It comprises multiple funders, provider types, and organizational and leadership structures at the federal, state, county, and local levels¹. Public and/or private organizations and practitioners can offer behavioral health services. This complexity and the lack of a

central or uniform leadership structure across states creates challenges to implementing performance improvements across a broad spectrum of providers. However, despite these barriers, a significant impact can be made by clearly understanding how each state, county, or region's behavioral system is organized and with adequate motivation, leadership, and collaboration among key departments. Identifying the key players and obtaining buy-in and support are keys to success in behavioral health system change efforts.



Funding and Administration

Funding and administration of behavioral health services are divided across Federal, State, county, local, and private sources. The main funding sources for services for children involved with child welfare are Medicaid and CHIP (Children's Health Insurance Program). Federal agencies also help pass legislation and establish regulations that can significantly impact once enacted². At the State level, there is typically a behavioral health authority that utilizes State and Federal block grant funds to administer services for mental health and substance use disorders. Although the bulk of funding is provided by Medicaid and the children's mental health authorities, other contributors include agencies responsible for early childhood, child welfare, school systems, intellectual and developmental disabilities, public health, etc. For example, child welfare departments may hire behavioral health professionals to provide services directly to youth involved in the system. Similarly, school districts often directly hire or contract behavioral health providers to serve schools exclusively.

Many States also operate on a county structure where each has its own state funds, county administration of Medicaid funds, and behavioral health leadership structure. Locally, organizations such as Youth Service Bureaus, hospital systems, and non-profit behavioral health providers may utilize private, local, or regional funds through hospital system budgets, State, local, and National fundraising campaigns and events, United Way, or community foundations. Many states also operate Local Systems of Care organized around

community-defined regions. Another primary source of funding and administration of behavioral health services is private employer-based healthcare insurance, which may administer funds through a network of providers paid on a fee-for-service basis or as part of a managed care contract. However, private employer-based managed care contracts typically have much lower penetration in the child welfare population than Medicaid-managed care and are less likely to fund community-based supports⁴. Medicaid-managed care is common across many states, counties, and regions.

In nearly all cases, system components maintain separate provider networks, contracts, data systems, and administrative structures. A survey of 44 state Medicaid and Medicare leaders conducted in 2022¹ found, "Only two states reported that Medicaid and behavioral health authorities were in the same division under a single agency. About one-third of states reported that Medicaid and behavioral health authorities were in separate agencies—either separate cabinet-level agencies, separate social service agencies, or separate agencies for each of Medicaid, mental health, and SUD (Substance Use Disorder). Three States reported "other" administrative structures. Some states do better than others, coordinating across discrete administrative entities and funding sources.

Provider Types and Sites

Behavioral Health services are provided by a variety of professionals with various levels of training, including MD psychiatrists, Physician Assistants (PAs), Psychologists, Social Workers (SWs), Marriage and Family Therapists (MFTs), Professional Counselors (LPCs), Registered Nurses (RNs or APRNs), Occupational Therapists (OTs), and others. Service sites may be solo practitioner offices, group practices, not-for-profit agencies and clinics, primary care sites, community settings, hospital inpatient and ambulatory services, and State-operated clinics and hospitals. Most States operate one or more behavioral health provider organizations that may advocate for services along with professional guilds such as the American Psychiatric Association, the American Psychological Association, the National Association of Social Workers, and more.

Outreach and Conclusions

When attempting to connect children involved with child welfare to the behavioral health system, it is best to begin by mapping the critical funding sources, State agencies, providers, and advocacy organizations involved with the multiple service systems for the population and jurisdiction of interest. Identifying key leaders based on role and those with "informal" leadership authority can be essential. Legislative committees or cabinets may unite many vital players and be an excellent place to gather information and establish connections. It is also crucial to consider the value of the program or service proposed from the point of view of each of. The systems will be most effective when each of these various components works together to create a cohesive experience. By better understanding how the BH system works, how it is organized, and how each piece can be accessed, child welfare professionals can build stronger bridges and make better recommendations for the children and families they serve, and as well as ensure more positive outcomes.

¹ <https://www.kff.org/mental-health/issue-brief/how-do-states-deliver-administer-and-integrate-behavioral-health-care-findings-from-a-survey-of-state-Medicaid-programs/>

² <https://www.mbanational.org/issues/federal-and-state-role-mental-health>

³ *Child and Adolescent Integrated Behavioral Health Financial Map*: C. Bory, PsyD & R.W. Plant, Ph.D., and T. Marshall, LCSW. A

⁴ <https://www.commonwealthfund.org/publications/explainer/2022/sep/behavioral-health-care-us-how-it-works-where-it-falls-short>