National Survey of Substance Abuse Treatment Services

The N-SSATS Report

November 4, 2010

Acceptance of Private Health Insurance in Substance Abuse Treatment Facilities

In Brief

- In 2008, nearly two thirds (65 percent) of substance abuse treatment facilities accepted some private health insurance as a form of client payment
- Facilities with a primary focus of providing mental health services (85 percent), general health care (82 percent), or a mix of mental health services and substance abuse treatment (78 percent) were more likely than facilities with a substance abuse treatment focus (56 percent) or other focus (37 percent) to accept private health insurance
- Facilities that accepted private health insurance were more likely than those that did not to accept adolescents into treatment (58 vs. 33 percent)
- Facilities in urban areas were less likely than facilities in non-urban areas to accept private health insurance

With the recently enacted legislation on health insurance reform and parity in coverage of medical and behavioral health conditions, more people may be able to obtain health insurance that will cover some of the costs of substance abuse treatment services. For example, previously uninsured individuals with pre-existing conditions, including addiction, can no longer be denied coverage because of those conditions. Young adults who were previously dropped from their parents' plans by "aging out" at 19 will be able to retain coverage under their parents' plans until age 26. Lifetime caps on services are also prohibited.[1,2] Health insurance plans that will become available through State Health Insurance Exchanges in 2014 must include essential mental

The N-SSATS Report is published periodically by the Center for Behavioral Health Statistics and Quality (formerly the Office of Applied Studies), Substance Abuse and Mental Health Services Administration (**SAMHSA**). For questions about this report, please e-mail: shortreports@samhsa.hhs.gov.

N-SSATS_305

health and substance abuse benefits. Further, parity legislation[3] bars insurance plans that include benefits for mental and substance abuse disorders from requiring higher levels of cost sharing or imposing more stringent benefit limitations for those benefits than they do for medical/surgical benefits. (Note that health insurance plans provided by employers are not required to include coverage for mental and substance abuse disorders.)

With the expected increase in persons with private health insurance that includes benefits for substance abuse treatment services, it will be important to have information on the extent to which treatment facilities are ready to accept private health insurance and the differences between facilities that do and those that do not accept this form of payment. This report examines current data on both of these issues.

The National Survey of Substance Abuse Treatment Services (N-SSATS) is an annual census of all known facilities in the United States, both public and private, that provide substance abuse treatment. N-SSATS collects information from facilities regarding the acceptance of various types of client payment including private health insurance as well as information on the type of treatment provided, the type of organization that operates the facility, and services offered. In 2008, a total of 13,688 substance abuse treatment facilities responded to N-SSATS. Of these, 539 (4 percent) provided free substance abuse treatment to all clients. Because these facilities did not accept any form of client payment, they are excluded from this analysis. Of the remaining facilities, nearly two thirds (65 percent) accepted private health insurance.

Primary Focus and Operation

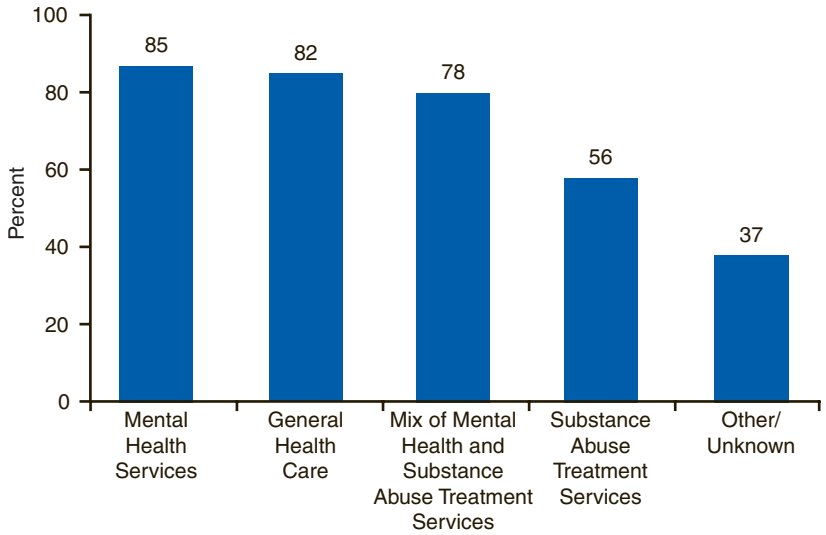
N-SSATS asks facilities to categorize themselves according to their primary focus—substance abuse treatment services, mental health services, a mix of mental health and substance abuse services where neither is primary, and general health care. Additionally, some facilities have another primary focus such as providing shelter for homeless persons or other social services. Facilities with a primary focus of mental health services, general health care, or a mix of mental health and substance abuse treatment services were more likely than facilities with a substance abuse treatment services focus or other focus to accept private health insurance (Figure 1).

There was little difference in acceptance of private health insurance based on the type of organization that operated the facility. The proportion of facilities accepting private health insurance ranged from 64 percent of those operated by private for-profit organizations or tribal governments to 69 percent of facilities operated by a State government.

Types of Payment Accepted

While almost all facilities accepted cash or self-payment from substance abuse treatment clients, facilities that accepted private health insurance were also more likely than those that did not to accept government health insurance (Medicare, Medicaid, and State-financed health insurance) (Table 1). This can be interpreted as an indicator that facilities with the capacity

Figure 1. Substance Abuse Treatment Facilities Accepting Private Health Insurance, by Primary Focus of Facility: 2008



Note: Facilities providing free substance abuse treatment to all clients are excluded.
Source: 2008 SAMHSA National Survey of Substance Abuse Treatment Services (N-SSATS).

Table 1. Substance Abuse Treatment Facilities Accepting Selected Types of Client Payment, by Facility's Acceptance of Private Health Insurance: 2008

Facility Accepts Private Health Insurance	Percent of Facilities Accepting Cash/Self-Pay	Percent of Facilities Accepting Medicaid	Percent of Facilities Accepting State-Financed Health Insurance	Percent of Facilities Accepting Medicare
Accepts	96	68	53	48
Does Not Accept	86	31	14	12

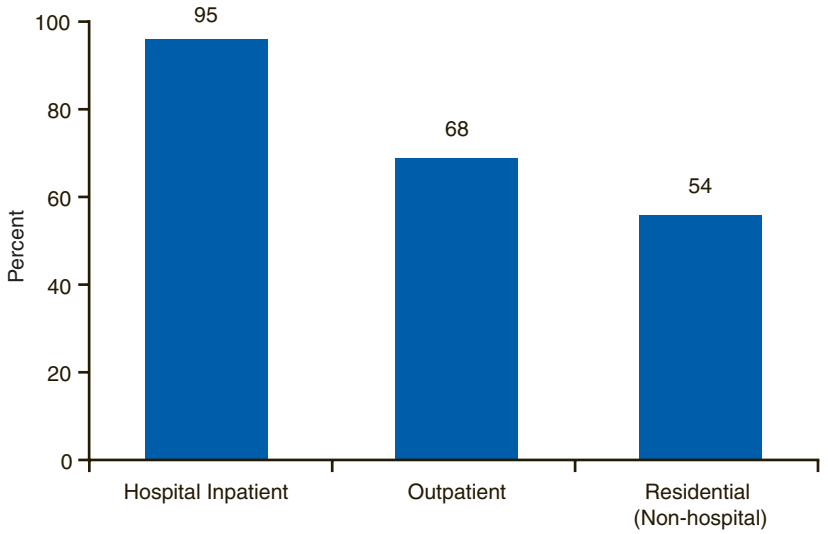
Note: Facilities providing free substance abuse treatment to all clients are excluded.
Source: 2008 SAMHSA National Survey of Substance Abuse Treatment Services (N-SSATS).

to negotiate insurance payments also had the ability to work with government programs that use an insurance model, such as Medicare, Medicaid, and State-financed health insurance.

Many facilities offered sliding fee scales or treatment at no charge to clients who could not afford to pay. Facilities that accepted private insurance were more likely than those that did not accept this form of payment to also use a sliding fee scale (68 vs. 57 percent). Approximately half of both facilities that accepted private health insurance and those that did not offered free treatment to those who could not afford to pay (49 and 52 percent, respectively).

In 2008, N-SSATS asked facilities if they had agreements or contracts with managed care organizations and if they received funding or grants from the Federal, State, county, or local governments to support their substance abuse treatment programs. Facilities that accepted private health insurance were more likely than those that did not to have agreements or contracts with managed care organizations (67 vs. 20 percent), a finding that is consistent with the fact that managed care is now the predominant type of private insurance.[4] However, both types of facility were equally likely to receive government funding (excluding Medicaid or Medicare) or grants to support their substance abuse treatment programs (58 percent for those that accepted private health insurance vs. 60 percent for those that did not).

Figure 2. Substance Abuse Treatment Facilities Accepting Private Health Insurance, by Type of Care: 2008



Note: Facilities providing free substance abuse treatment to all clients are excluded.
Source: 2008 SAMHSA National Survey of Substance Abuse Treatment Services (N-SSATS).

Types of Treatment and Clinical/Therapeutic Approaches

Most facilities that offered hospital inpatient treatment accepted private health insurance (95 percent) and about two thirds (68 percent) of facilities that offered outpatient treatment did so (Figure 2). However, a smaller percentage (54 percent) of facilities that offered residential care accepted private health insurance. Nearly half (49 percent) of facilities

with opioid treatment programs accepted private health insurance.

There are many clinical/therapeutic approaches that can be used in substance abuse treatment. N-SSATS asks about the frequency of use of 12 approaches: substance abuse counseling, 12-step facilitation, brief intervention, cognitive-behavioral therapy, contingency management/motivational incentives, motivational interviewing, trauma-related counseling, anger management, matrix model, community reinforcement plus vouchers, rational emotive behavioral therapy, and relapse prevention. While the frequency with which each of these approaches was used "always or often" varied, the only difference between facilities that accepted private health insurance and those that did not was for cognitive-behavioral therapy. Almost three fourths (70 percent) of facilities that accepted private health insurance used cognitive-behavioral therapy "always or often" compared with three fifths (58 percent) of those that did not accept private insurance.

Types of Clients

Overall, similar percentages of facilities that did and did not take private health insurance accepted various types of clients into their treatment programs (adult women, adult men, seniors or older adults, clients with co-occurring mental and substance abuse disorders, criminal justice clients, etc.). One exception was that facilities that accepted private health insurance were more likely than other facilities to accept adolescents into treatment (58 vs. 33 percent).

Languages other than English

Facilities that accepted private insurance were more likely than those that did not to provide substance abuse treatment services in sign language for the hearing impaired (34 vs. 20 percent). However, facilities that accepted private health insurance and facilities that did not were equally likely to provide substance abuse treatment services in a language other than English (44 vs. 41 percent).

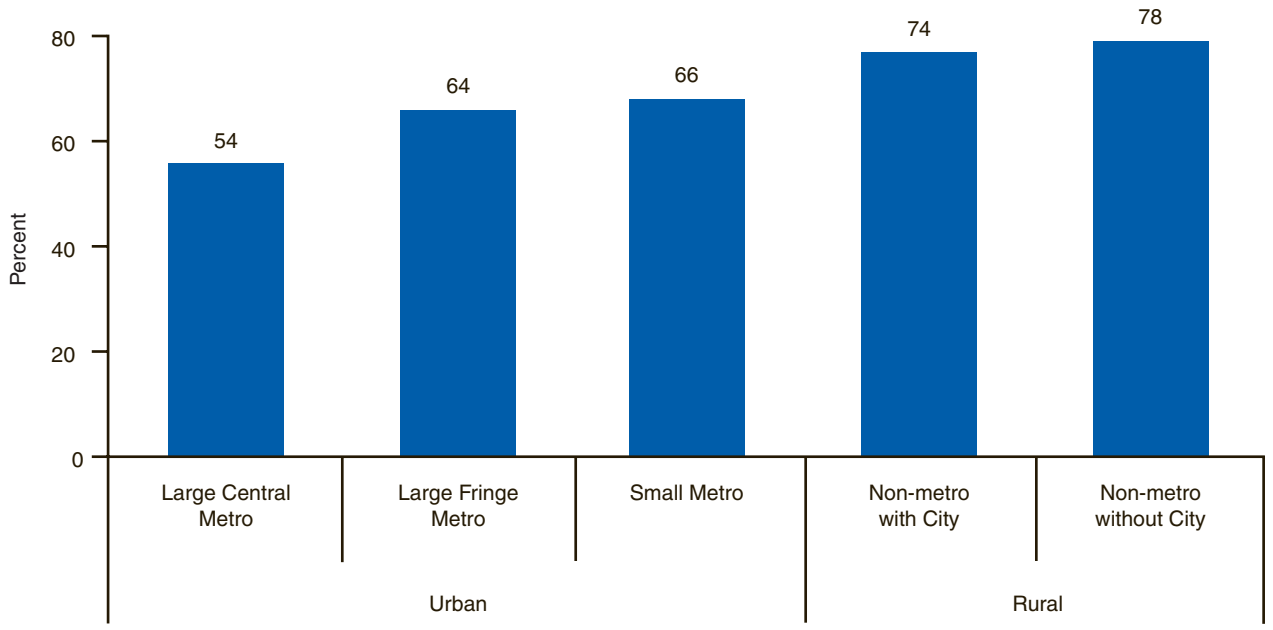
Urban or Rural

Generally, facilities in urban areas were less likely than facilities in non-urban areas to accept private health insurance (Figure 3).[5] More than three quarters of substance abuse treatment facilities in non-metropolitan areas accepted private health insurance. Just over one half of facilities in large central metropolitan areas accepted private health insurance.

Discussion

With the passage of the health insurance reform and parity legislation, there will be more opportunities for the currently uninsured to obtain health insurance and to use it to obtain treatment for substance abuse disorders. Yet this also has raised concerns about whether substance abuse treatment facilities have the required infrastructure and business skills necessary to participate in insurance-based billing that is required not only by private insurance plans, but also by major Federal programs under Medicaid, Medicare, and Tricare. The data presented in this report offer a positive indication that many facilities do have the necessary capacities. The report also provides some relevant data on the characteristics of the treatment system, which can serve as a baseline before reforms are put in place. In 2008, approximately two thirds of substance abuse treatment facilities accepted private health insurance, and there were few differences between these facilities and those that did not accept private insurance in terms of the types of clients accepted and the therapeutic approaches used in treatment. As individuals, insurance companies, and government insurers respond to the phased provisions of the new legislation, there will likely be changes in how substance abuse treatment is paid for and in the ways in which treatment is delivered. N-SSATS will be an important source of data for public health policy makers and program developers to use in monitoring these changes and in determining the impact of reform on access to and utilization of substance abuse treatment.

Figure 3. Substance Abuse Treatment Facilities Accepting Private Health Insurance, by Urbanization Level: 2008



Note: Facilities providing free substance abuse treatment to all clients are excluded. Refer to End Note 5 for definition of urbanization levels.
Source: 2008 SAMHSA National Survey of Substance Abuse Treatment Services (N-SSATS).

End Notes

[1] The Patient Protection and Affordable Care Act, P.L. 111-148 (with its companion set of amendments in H.R. 4782).

[2] Health reform means more covered patients for addiction treatment field. (2010, March 29). *Alcoholism & Drug Abuse Weekly, 22*(13).

[3] Department of Health and Human Services, Centers for Medicare & Medicaid Services, 45 CFR Part 146, Interim Final Rules Under the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 75 Fed. Reg. 5410 (Feb. 2, 2010). Retrieved June 30, 2010, from http://edocket.access.gpo.gov/2010/pdf/2010-2167.pdf

[4] Agency for Healthcare Research and Quality. (2007). *Questions and answers about health insurance: A consumer guide* (AHRQ Publication No. 07-0043). Retrieved August 27, 2010, from http://www.ahrq.gov/consumer/insuranceqa/

[5] U.S. counties and county equivalents were assigned to one of five urbanization levels according to the classification scheme developed by the National Center for Health Statistics (NCHS): 1. Large Central Metro—County in a Metropolitan Statistical Area (MSA) of 1 million or more population that contained all or part of the largest central city of the MSA; 2. Large Fringe Metro—County in a large MSA (1 million or more population) that did not contain any part of the largest central city of the MSA; 3. Small Metro—County in an MSA with less than 1 million population; 4. Non-Metro with City—County not in an MSA but with a city of 10,000 or more population; 5. Non-Metro without City—County not in an MSA and without a city of 10,000 or more population.

Suggested Citation

Substance Abuse and Mental Health Services Administration, Center for Behavioral Health Statistics and Quality. (November 4, 2010). *The N-SSATS Report: Acceptance of Private Health Insurance in Substance Abuse Treatment Facilities*. Rockville, MD.

For change of address, corrections, or to be removed from this list please e-mail: shortreports@samhsa.hhs.gov.

Findings from SAMHSA's 2008 National Survey of Substance Abuse Treatment Services (N-SSATS)

Acceptance of Private Health Insurance in Substance Abuse Treatment Facilities

- In 2008, nearly two thirds (65 percent) of substance abuse treatment facilities accepted some private health insurance as a form of client payment
- Facilities with a primary focus of providing mental health services (85 percent), general health care (82 percent), or a mix of mental health services and substance abuse treatment (78 percent) were more likely than facilities with a substance abuse treatment focus (56 percent) or other focus (37 percent) to accept private health insurance
- Facilities that accepted private health insurance were more likely than those that did not to accept adolescents into treatment (58 vs. 33 percent)
- Facilities in urban areas were less likely than facilities in non-urban areas to accept private health insurance

The National Survey of Substance Abuse Treatment Services (N-SSATS) is an annual survey of all substance abuse treatment facilities in the United States, both public and private, that are known to the Substance Abuse and Mental Health Services Administration (SAMHSA). N-SSATS is one component of the Drug and Alcohol Services Information System (DASIS), an integrated data system maintained by the Center for Behavioral Health Statistics and Quality, SAMHSA.

N-SSATS collects three types of information from facilities: characteristics of individual facilities such as services offered and types of treatment provided, primary focus of the facility, and payment options; client count information such as counts of clients served by service type and number of beds designated for treatment; and general information such as licensure, certification, or accreditation and facility website availability. In 2008, N-SSATS collected information from 13,688 facilities from all 50 States, the District of Columbia, Puerto Rico, the Federated States of Micronesia, Guam, Palau, and the Virgin Islands. **Information and data for this report are based on data reported to N-SSATS for the survey reference date March 31, 2008.**

The N-SSATS Report is prepared by the Center for Behavioral Health Statistics and Quality, SAMHSA; Synectics for Management Decisions, Inc., Arlington, VA; and RTI International, Research Triangle Park, NC. Information on the most recent N-SSATS is available in the following publication:

Substance Abuse and Mental Health Services Administration, Office of Applied Studies. (2009). *National Survey of Substance Abuse Treatment Services (N-SSATS): 2008. Data on substance abuse treatment facilities* (DASIS Series: S-49, HHS Publication No. (SMA) 09-4451). Rockville MD: Author.

Access the latest N-SSATS reports at:
http://oas.samhsa.gov/dasis.htm

Access the latest N-SSATS public use files at:
http://oas.samhsa.gov/SAMHDA.htm

Other substance abuse reports are available at:
http://oas.samhsa.gov

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Substance Abuse and Mental Health Services Administration
Center for Behavioral Health Statistics and Quality
www.samhsa.gov