

GAO Highlights

Highlights of [GAO-24-106794](#), a report to congressional committees

Why GAO Did This Study

Behavioral health conditions were estimated to affect at least one-quarter of the 66.7 million Medicare beneficiaries in the U.S. in 2023. Treatment for behavioral health disorders can help individuals manage their symptoms, reduce or stop substance use, and improve their quality of life.

The Consolidated Appropriations Act, 2023, includes a provision for GAO to review behavioral health benefits in traditional Medicare and MA. This report describes (1) cost-sharing for behavioral health basic benefits in traditional Medicare and MA plans in 2024, (2) the scope of behavioral health supplemental benefits offered by MA plans in 2024, and (3) CMS's oversight of cost-sharing in MA plans for behavioral health services.

GAO analyzed CMS data and manuals on basic benefits and cost-sharing for behavioral health services in traditional Medicare and MA plans in 2024 and supplemental benefits offered by MA plans in 2024. GAO's analysis included 5,702 MA plans that were health maintenance organization, preferred provider organization, and special needs plans. It excluded other plan types such as private fee-for-service and employer plans. The plans in GAO's analysis covered about 82.3 percent of MA beneficiaries in CMS's February 2024 enrollment data.

GAO also reviewed CMS guidance, regulations, and other documents and interviewed CMS officials to obtain information about CMS's oversight efforts.

View [GAO-24-106794](#). For more information, contact Leslie V. Gordon at (202) 512-7114 or GordonLV@gao.gov.

September 2024

BEHAVIORAL HEALTH

Information on Cost-Sharing in Medicare and Medicare Advantage

What GAO Found

Medicare covers inpatient and outpatient services for the diagnosis and treatment of behavioral health conditions, which include mental health and substance use disorders. Both traditional Medicare and Medicare Advantage (MA) plans—the private plan alternative to traditional Medicare—are required to offer these as basic benefits.

Examples of Behavioral Health Services Covered by Medicare, 2024

Service category	Type of benefit
Inpatient services	<ul style="list-style-type: none">Acute inpatient hospitalizationPsychiatric inpatient hospitalization
Outpatient services	<ul style="list-style-type: none">PsychotherapyVisits with a physician (including psychiatrist) or other behavioral health providersPartial hospitalization program servicesOpioid use disorder treatment servicesScreenings for depression, alcohol misuse, or other behavioral health conditions

Source: Centers for Medicare & Medicaid Services documents. | GAO-24-106794

Note: Medicare beneficiaries who experience an acute behavioral health crisis can receive inpatient services either in an acute care hospital or in an inpatient psychiatric hospital.

Beneficiaries in traditional Medicare and MA plans had cost-sharing for many of these behavioral health benefits in 2024. Cost-sharing is the portion of costs that beneficiaries are expected to pay, such as deductibles, coinsurance, and co-payments.

- Traditional Medicare beneficiaries generally had deductibles and coinsurance for inpatient behavioral health services, and coinsurance for many outpatient behavioral health services in 2024. For example, beneficiaries were required to pay 20 percent of the Medicare-approved amount in coinsurance for an individual session with a mental health provider in 2024.
- Beneficiaries in most of the MA plans in GAO's analysis had co-payments for both inpatient and outpatient behavioral health services although exact co-payment amounts varied. For example, at least 70 percent of MA plans GAO analyzed required beneficiary co-payments for an individual session with a mental health provider, and the median amount was \$30.

MA plans can also offer behavioral health supplemental benefits not covered by traditional Medicare. For example, about 8 percent of plans in GAO's analysis covered additional days of an inpatient psychiatric hospitalization. In addition, almost 30 percent of plans covered additional sessions of smoking and tobacco cessation counseling as an outpatient service in 2024.

The Centers for Medicare & Medicaid Services (CMS) oversees MA plans' overall cost-sharing through several efforts. These efforts generally do not focus specifically on behavioral health services. For example, to help protect beneficiaries from significant out-of-pocket costs, CMS sets limits on cost-sharing that MA plans can charge beneficiaries. In addition, CMS audits plans' coverage of a sample of services to determine whether plans are charging the plans' agreed-upon out-of-pocket costs. These audits may include behavioral health services if they are in the sample.