



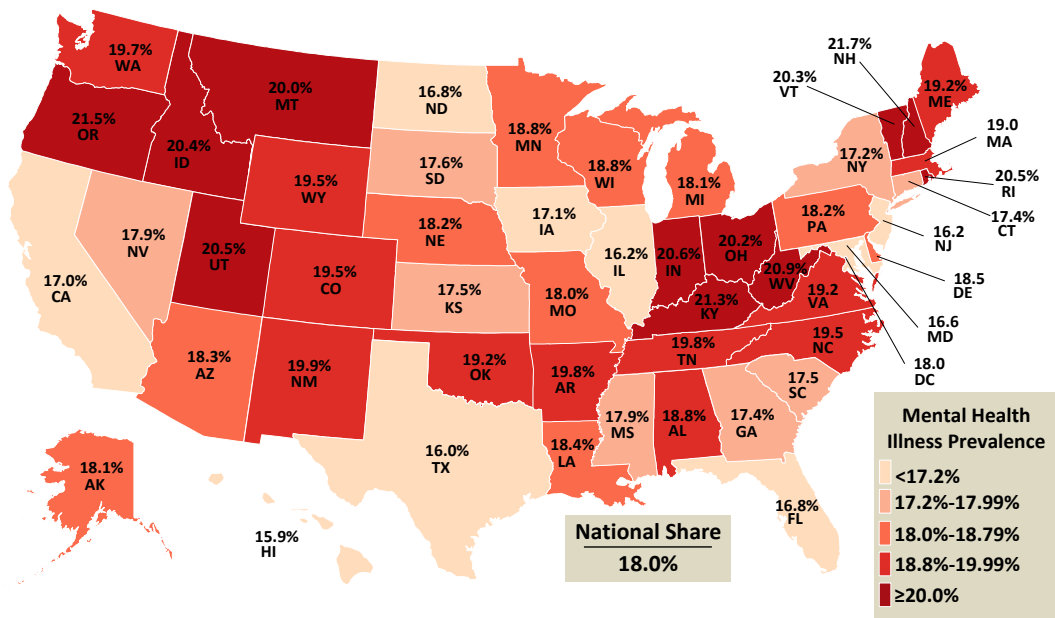
TrumpCare Reverses ACA Gains for Mental Health

After Republicans and the American people learned what was in TrumpCare – the House bill to repeal and replace the Affordable Care Act (ACA) – the bill failed to even receive a vote. Now, Republican are back with TrumpCare 2.0, a bill that is even worse than the first proposal. For those managing a mental illness, TrumpCare will limit access to and increase costs for mental health services.

Mental illness afflicts nearly one in five Americans (see **Figure 1**): 43.4 million adults ages 18 and older have a mental, behavioral, or emotional disorder.¹ Thanks to the ACA, those struggling with mental illnesses now have increased access to the care they need.² Yet, TrumpCare would limit their access to care for mental illnesses by:

- Cutting \$880 billion from Medicaid, culminating in 14 million fewer Medicaid enrollees by 2026.
- Repealing minimum standards that require insurers to cover mental health services.

Figure 1. Mental Illness Prevalence Rates



Source: SAMHSA

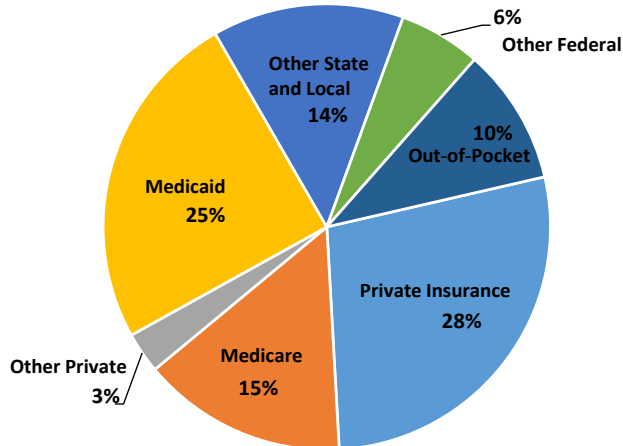
Note: Data are averages of 2014 and 2015 prevalence rates. Mental illness prevalence denotes "Any Mental Illness" as defined by SAMHSA.

ACA Improved Access to Mental Health Services

The ACA expanded access to mental health care services through several provisions. In particular, the law expanded eligibility for Medicaid, which pays for 25 percent of mental health treatments in the United States (see **Figure 2**).³ Medicaid expansion is associated with a 7.5 percent decrease in the number of low-income adults who don't have access to mental health treatment.⁴ The ACA also includes mental health care as an essential benefit that insurers must cover and builds upon the Mental Health Parity and Addiction Equity Act guarantee that benefit limits for mental health and substance abuse disorders are no less favorable than medical and surgical benefits.⁵

Moreover, the ACA prevents insurers from denying coverage or discriminating against patients with a preexisting mental health condition. Finally, the ACA made health insurance more affordable by providing tax credits for qualifying individuals. As a result, the share of people forgoing mental health services due to cost fell by nearly one-third for those below 400 percent of the federal poverty line between 2010 and 2015.⁶ These changes helped the ACA to provide coverage for millions of people with mental illnesses and substance use disorders through the Medicaid expansion and the Health Insurance Marketplace (see **Table 1**).

Figure 2. Distribution of Spending for Mental Health Treatment by Source



Source: Substance Abuse and Mental Health Services Administration. Data are for 2014.

TrumpCare to End Mental Health Services for Millions

The public sector is the largest payer of mental health services in the United States, with Medicaid, Medicare, other federal, and state and local governments covering nearly 60 percent of the \$186 billion in mental health treatment spending in 2014 (see **Figure 2**).⁷ Medicaid alone covers one-fourth of all mental health spending. Federal Medicaid also provides a large share of funding for state mental health agencies, at 28.6 percent (see **Figure 3**).

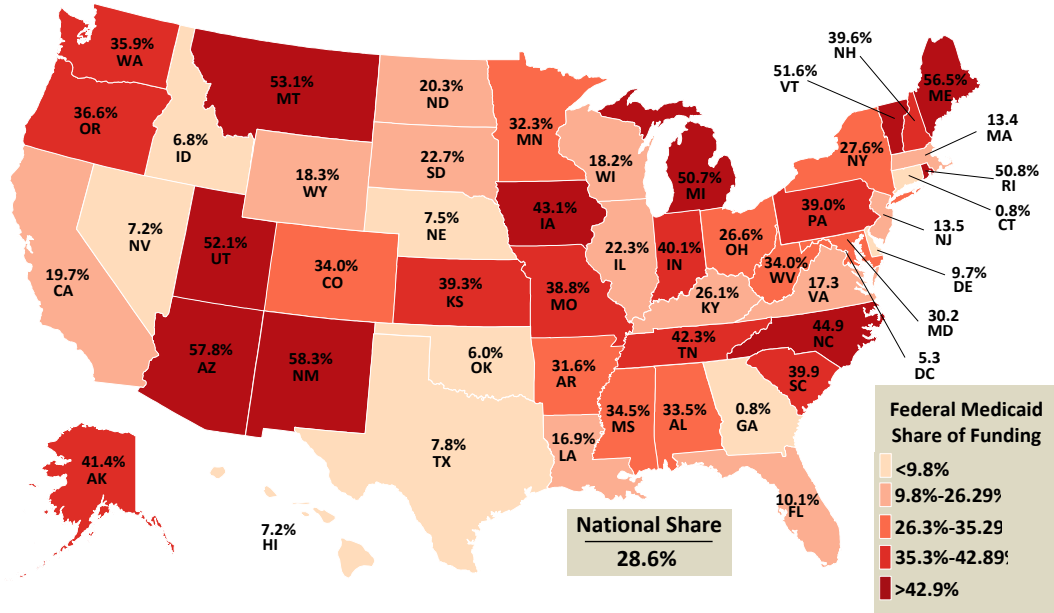
The Republican health care plan will weaken Medicaid's ability to provide mental health services by stripping \$880 billion from Medicaid over ten years, culminating in 14 million fewer Medicaid enrollees

Table 1. Number of People with Mental Illnesses and/or Substance Use Disorders in Medicaid Expansion and Health Insurance Marketplace	
State	Number
Alabama	56,281
Alaska	10,525
Arizona	78,744
Arkansas	56,719
Connecticut	47,227
California	685,383
Florida	395,182
Idaho	32,051
Illinois	189,068
Indiana	133,580
Iowa	19,125
Kansas	26,869
Kentucky	61,463
Maryland	75,062
Michigan	169,484
Mississippi	23,324
Missouri	78,637
Maine	19,232
Montana	28,478
Nevada	50,379
New Mexico	38,849
New York	114,875
North Carolina	119,977
Ohio	220,512
Oregon	103,589
Pennsylvania	180,526
Tennessee	78,807
Texas	272,069
Virginia	117,439
West Virginia	32,358
Wisconsin	71,746
Utah	54,257

Source: Richard Frank's analysis using data from the National Household Survey of Drug Use and Health, the Council of Economic Advisers and the Office of the Assistant Secretary for Planning and Evaluation

by 2026.⁸ Many of those who rely on Medicaid for vital mental health treatment will undoubtedly be left in the dark, unable to afford or access care.

Figure 3. Federal Medicaid Share of Funding for State Mental Health Agencies



Source: Pew Charitable Trust.
Note: Data are for 2012.

Weak Consumer Protections Undermine Mental Health Care

Republicans want to repeal the ACA’s essential health benefits standards, which require all health insurance policies to cover mental health and substance use disorder services. Prior to the ACA, 34 percent of individual plans did not cover substance use disorders and 18 percent did not cover treatment for mental health conditions.⁹ Weakening the essential health benefits standards would allow insurers to go back to the days when they could exclude mental health from coverage and when insurers could discriminate against people in the individual market by discouraging enrollment, cutting the health services that are covered, and raising out-of-pocket costs.¹⁰

Medicaid also must provide access to mental health services as part of essential health benefits. However, the TrumpCare will allow states to choose whether Medicaid will cover mental health services. Given the \$880 billion cut to Medicaid under the Republican proposal, states will necessarily have to look for places to cut spending, and coverage of mental services will likely be a target of such cuts.

¹ Bose, Jonaki, Sarra L. Hedden, Rachel N. Lipari, and Eunice Park-Lee. “[Key Substance Use and Mental Health Indicators in the United States: Results from the 2015 National Survey on Drug Use and Health](#).” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. September 2016.

² Creedon, Timothy B. and Benjamin Lê Cook. 2016 “[Access to Mental Health Care Increased But Not For Substance Use, While Disparities Remain](#).” *Health Affairs* 35(6): 1017-1021.

³ Substance Abuse and Mental Health Services Administration. “[Behavioral Health Spending and Use Accounts, 1986–2014](#).” HHS Publication No. SMA-16-4975. 2016.

⁴ Office of the Assistant Secretary for Planning and Evaluation. "[Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act](#)." U.S. Department of Health and Human Services. January 11, 2017.

⁵ The Center for Consumer Information & Insurance Oversight. "[The Mental Health Parity and Addiction Equity Act](#)." Centers for Medicare & Medicaid Services. Accessed March 16, 2017.

⁶ Office of the Assistant Secretary for Planning and Evaluation. "[Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act](#)." U.S. Department of Health and Human Services. January 11, 2017.

⁷ Substance Abuse and Mental Health Services Administration. "[Behavioral Health Spending and Use Accounts, 1986–2014](#)." HHS Publication No. SMA-16-4975. 2016.

⁸ U.S. Congressional Budget Office. "[American Health Care Act](#)." March 13, 2017.

⁹ Office of the Assistant Secretary for Planning and Evaluation. "[Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act](#)." U.S. Department of Health and Human Services. January 11, 2017.

¹⁰ Lueck, Sarah. "[If Essential Health Benefits Standards are Repealed, Health Plans Would Cover Little](#)." Center on Budget and Policy Priorities. March 23, 2017.