

Chapter 2:

Behavioral Health in Medicaid and the State Children's Health Insurance Program

Behavioral Health in Medicaid and the State Children's Health Insurance Program

Key Points

- In this chapter, MACPAC used 2021 to 2023 data from the Transformed Medicaid Statistical Information System (T-MSIS) to describe behavioral health spending and utilization among Medicaid and Medicaid-expansion State Children's Health Insurance Program (M-CHIP) enrollees in calendar year 2023. Behavioral health includes services that address mental health and substance use disorders (SUDs).
- In 2023, almost 27 million Medicaid and M-CHIP enrollees (27.6 percent) had behavioral health conditions, nearly 23 million (23.1 percent) had mental health conditions, and around 10 million (10.6 percent) had SUDs. Approximately six million enrollees (6.0 percent) had co-occurring mental health and SUD conditions.
- In addition, this chapter separately identifies enrollees with intellectual and developmental disabilities (I/DD). In 2023, there were nearly six million enrollees (6.0 percent) with I/DD and around two million (2.2 percent) with co-occurring mental health and I/DD conditions.
- In 2023, total Medicaid service-related spending for enrollees with behavioral health conditions was nearly \$370 billion, accounting for more than half of overall service-related spending. Spending per enrollee for individuals with any behavioral health condition (\$13,723) was more than twice that of the overall Medicaid and M-CHIP population (\$6,582).
- Anxiety and depressive disorders were the most common mental health conditions among all full-benefit enrollees, while serious mental illness was associated with the highest spending per enrollee.
- More than 16 million enrollees who were not eligible for both Medicaid and Medicare with behavioral health conditions used behavioral health services (excluding prescription drugs), and 14.3 million used behavioral health drugs in 2023, accounting for \$79.8 billion and \$15.5 billion, respectively, in behavioral health spending.
- Most non-dually eligible Medicaid enrollees with behavioral health conditions who used behavioral health services received care in non-hospital outpatient settings (63.8 percent), which accounted for about one-third of total behavioral health spending. Enrollees with SUDs relied more heavily on inpatient and emergency department care than enrollees with a mental health condition; nearly half received inpatient care (49.2 percent), and one-quarter used emergency departments (24.9 percent).
- In 2023, more than 17 percent of children and youth younger than age 21 enrolled in Medicaid or M-CHIP had behavioral health conditions, and their spending on behavioral health services represented half of their total service-related spending. More than one-third of non-dually eligible adults younger than age 65 had behavioral health conditions, and their behavioral health spending accounted for more than a quarter of their total service-related Medicaid spending.
- Behavioral health services accounted for the majority of spending on adults with I/DD (61.3 percent) and co-occurring mental health and I/DD conditions (63.6 percent).

CHAPTER 2: Behavioral Health in Medicaid and the State Children's Health Insurance Program

“Behavioral health” is an umbrella term that includes mental health and substance use disorders (SUDs). Mental health conditions may include anxiety disorders, mood disorders, personality disorders, and schizophrenia. SUD conditions include opioid use disorder (OUD), alcohol use disorder, and other drug use disorders. Behavioral health conditions are prevalent in the United States, affecting one in three adults in 2024, according to the Substance Abuse and Mental Health Services Administration (SAMHSA 2025). Eight percent of adults younger than age 65 reported having both a mental illness and an SUD in 2024 (SAMHSA 2025).

The Commission has had a long-standing interest in examining behavioral health service use and spending in Medicaid, given the program's role as a major source of coverage for behavioral health services in the United States (CMS 2026, IHME 2025, MACPAC 2015). However, analyzing behavioral health spending and utilization data in Medicaid and the State Children's Health Insurance Program (CHIP) at a national level has historically been challenging. Behavioral health services do not have a standardized definition or well-defined set of procedure codes, provider taxonomies, or care settings, making it difficult to identify these services in medical claims. To analyze behavioral health use in Medicaid, MACPAC has typically relied on the National Survey on Drug Use and Health (NSDUH), which is the primary source of national estimates of mental health and SUD status and service utilization in the United States. However, NSDUH data do not include information on spending, and estimates of utilization resulting from the NSDUH can differ substantially when compared to claims analyses. For example, MACPAC's analysis of medications for opioid use disorder (MOUD) treatment rates using 2021 NSDUH data found that only 24 percent of enrollees with OUD received MOUD in the past year, while our analysis of Transformed Medicaid

Statistical Information System (T-MSIS) data found that more than 70 percent of enrollees with OUD received MOUD in the same time period (MACPAC 2025a). This is likely because NSDUH relies on self-reported data rather than diagnoses or claims for OUD-related services and therefore tends to identify more enrollees with OUD.¹

With the exception of the Commission's work on MOUD, MACPAC has not used Medicaid claims data to publish estimates of behavioral health services use or spending since the June 2015 report to Congress, which presented descriptive analyses of utilization and spending for children and adults with behavioral health conditions (MACPAC 2015).² This chapter uses T-MSIS data to update MACPAC's analyses of behavioral health service use and spending for calendar year 2023. In addition, this chapter expands the scope of conditions to separately identify enrollees with intellectual or developmental disabilities (I/DD). Though I/DD conditions are not classified as behavioral health conditions given differences in age of onset and etiology, individuals with I/DD often have co-occurring mental health conditions and behavioral support needs (Pouls et al. 2022, NIH 2021).

The chapter begins by providing an overview of Medicaid enrollees with behavioral health conditions and behavioral health benefits in Medicaid. Then, we outline the methodology and limitations for this analysis and discuss key findings from our T-MSIS analysis on utilization and spending among Medicaid and CHIP enrollees with behavioral health conditions, including enrollees with I/DD conditions.

Overview of Behavioral Health Prevalence and Coverage in Medicaid

In 2020, nearly 4 in 10 adults younger than age 65 enrolled in Medicaid reported having a behavioral health condition (Saunders and Rudowitz 2022). Often, behavioral health conditions begin in childhood or adolescence. In 2024, around 20 percent of adolescents age 12 through 17 had either a major depressive episode (MDE) or an SUD in the past year, with the vast majority experiencing an MDE rather than having an SUD (SAMHSA 2025).

Mental health disorders

Medicaid covers nearly one-third of adults with mental health disorders (Saunders et al. 2025). In 2023, 35 percent of adults younger than age 65 enrolled in Medicaid reported having a mental illness, and 10 percent reported having a serious mental illness (SMI).³ About 60 percent of adult Medicaid enrollees who reported having any mental illness received mental health treatment in 2023, similar to rates in the privately insured population (Saunders et al. 2025).

The most common mental health diagnoses for children and youth are anxiety disorders, conduct disorders, and depressive disorders (CDC 2025). In 2024, more than 15 percent of adolescents had a MDE in the past year, and nearly 19 percent had moderate or severe symptoms of generalized anxiety disorder (SAMHSA 2025). Among all youth age 12 through 18 enrolled in Medicaid, around 16 percent received mental health services in 2022 (CMS 2025a).

SUD

Medicaid covers around one-fifth of adults with an SUD and an even greater share (40 percent) of youth and adults younger than age 65 with OUD (MACPAC 2025a, Saunders et al. 2025). In 2022, 9 percent of adults younger than age 65 and roughly 1 percent of youth age 12 through 18 enrolled in Medicaid received SUD treatment services (CMS 2025a).

I/DD

Medicaid provides health coverage to millions of people with I/DD conditions such as autism spectrum disorder or Down syndrome. Historically, limited data on the I/DD population in Medicaid have inhibited precise estimates of Medicaid enrollees with I/DD (MACPAC 2024). Our current analysis estimates that approximately 6 percent of the Medicaid population had an I/DD condition in 2023, and 2 percent of the Medicaid population had co-occurring I/DD and mental health conditions (Table 2-2). Many people with I/DD conditions without formal behavioral health diagnoses require behavioral health supports, indicating a need to study behavioral health service use among individuals with I/DD (Barth et al. 2020).

Medicaid coverage and delivery of behavioral health services

There is no federal, standardized definition for coverage of behavioral health services, and state definitions and coverage of behavioral health services vary widely.

Mandatory and optional services

Behavioral health services for children younger than age 21 enrolled in Medicaid are covered under the early and periodic screening, diagnostic, and treatment (EPSDT) requirement, if the services are considered medically necessary. The EPSDT requirement mandates that states provide Medicaid enrollees age 21 and younger access to any treatment for physical or mental conditions listed in Section 1905(a) of the Social Security Act (P.L. 74-271) if that treatment or service is medically necessary (MACPAC 2025b). This requirement applies regardless of whether such services are covered under the state plan or the enrollee receives care through a managed care or fee-for-service (FFS) delivery system (CMS 2022). The EPSDT requirement applies to children enrolled in Medicaid-expansion CHIP (M-CHIP) but not those in separate CHIP. However, several states with separate CHIP coverage have elected to provide the EPSDT benefit to enrollees in that program (MACPAC 2025b). States with separate CHIP are required to provide behavioral health services to CHIP enrollees, regardless of whether their benefit package includes EPSDT.⁴

For adults enrolled in Medicaid, federal law requires coverage of certain behavioral health services, while leaving others optional for states. All state Medicaid programs are required to cover certain behavioral health services for adults, such as medically necessary inpatient hospital services, outpatient hospital services, federally qualified health center (FQHC) services, and physician services. Behavioral health services considered optional include clinic services, case management, certified community behavioral health clinic services, and prescription drugs (CMS 2025b).^{5, 6} Prescription drugs used to treat behavioral health conditions can include antidepressants, antianxiety agents, antipsychotic or antimanic agents, and anticonvulsants.⁷

Medicaid's role in the coverage and financing of SUD treatment varies considerably across states. All state Medicaid programs offer some form of SUD services. As of October 2020, states are required to cover certain types of SUD treatment under the MOUD benefit mandate.⁸ A review conducted by MACPAC in April 2018 found that the largest gaps in SUD coverage exist for residential SUD treatment (MACPAC 2018).

Settings for behavioral health care

Medicaid enrollees receive behavioral health services in various care settings, such as inpatient, outpatient, and residential. Inpatient settings may include public or private psychiatric inpatient hospitals, a psychiatric unit or medical unit of an acute care hospital, or other inpatient settings. Outpatient settings may include office-based settings such as a private therapist's office, a day treatment program, an outpatient mental health center, or a community health center such as an FQHC. Residential settings may include a psychiatric residential treatment facility (PRTF) or an SUD residential facility.

Certain inpatient and residential settings, referred to in the Medicaid statute as "institutions for mental diseases" (IMDs), are subject to particular restrictions. An IMD is a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of people with mental diseases. Subdivision (B) following section 1905(a) of the Social Security Act prevents states from receiving federal financial participation for services delivered to individuals younger than age 65 residing in an IMD, with some exceptions. This statutory feature of Medicaid, also referred to as the "IMD exclusion," has existed since the program's inception to maintain state and local responsibility for funding psychiatric institutions and to promote access to community-based alternatives. The payment exclusion generally applies to all physical and behavioral health services delivered to patients residing in an IMD, whether they are furnished inside or outside of the facility.

Despite the IMD exclusion, states have multiple ways to pay for services delivered to enrollees in IMDs. First, the statute provides an exception for older adults

as well as children and youth in certain circumstances. Under what is commonly referred to as the "psych under 21 benefit," states can cover services for enrollees younger than age 21 who are receiving care in a PRTF, a psychiatric hospital, or a psychiatric unit of a general hospital. Second, for adults younger than age 65, states may choose to cover services in IMDs, including under Section 1115 demonstrations, a state plan option for enrollees with SUDs, or as an in-lieu-of service or setting in managed care.⁹ Although the IMD exclusion limits the settings in which enrollees can receive behavioral health treatment, states can receive federal financial participation for services delivered to enrollees in non-IMD settings, such as inpatient and residential facilities with fewer than 16 beds.

Delivery systems

States that deliver behavioral health services through managed care may carve out specific services to FFS. In 2024, 42 states and the District of Columbia offered behavioral health services through Medicaid managed care, and 8 states offered behavioral health services through FFS (Kaye et al. 2025).¹⁰ Managed care arrangements in state Medicaid programs fall under two categories: (1) comprehensive risk-based managed care offered through managed care organizations and (2) limited-benefit plans that provide only a subset of services such as behavioral health (MACPAC 2020).¹¹

FFS carve outs are a way for states to offer and pay for behavioral health services separately for certain subpopulations, such as those with SMI. Because of the wide range of behavioral health services, enrollees may ultimately receive some services under managed care (e.g., psychiatrist visits), while others are delivered through FFS (e.g., prescription drugs). As a result of these varying arrangements, this chapter stratifies spending by the type of claim (i.e., FFS or managed care encounter) regardless of the individual's enrollment in a managed care organization.

Methodology

MACPAC calculated service use and spending in calendar year (CY) 2023 for enrollees in Medicaid and M-CHIP with behavioral health conditions by analyzing enrollment, claims, and managed care encounter data from T-MSIS for CYs 2021 through 2023.¹² In this analysis, MACPAC defined a behavioral health service as any service-related claim or encounter that includes a primary or secondary behavioral health–related diagnosis code. Service-related claims and encounters exclude capitation payments and FFS supplemental payments. The methodology for identifying enrollees with behavioral health (i.e., mental health and SUD conditions) and I/DD conditions is adapted from the Centers for Medicare & Medicaid Services' Physical and Behavioral Health Integration algorithm, SUD Data Book, Chronic Conditions Data Warehouse, and the Milbank Memorial Fund's *Recommendations for a Standardized State Methodology to Measure Clinical Behavioral Health Spending* (Sinha et al. 2024; CMS 2024a, 2024b, 2023; Hula et al. 2023).¹³ Refer to Appendix 2A for more detailed information on the methodology.

Throughout this chapter, enrollees with behavioral health conditions refer to enrollees with a mental health condition, an SUD condition, or both, regardless of the presence of an I/DD condition. We include enrollees with I/DD conditions only when highlighting

that specific population or enrollees with co-occurring mental health and I/DD conditions. We exclude full-benefit dually eligible enrollees from select measures related to utilization and care settings because Medicare is the primary payer for most behavioral health services for this population. When Medicaid or CHIP is a secondary payer, there may be no record in the Medicaid claims data of the enrollee receiving the service. Please refer to the table or figure notes for details on the populations included.

Calculating spending

In the analysis presented in this chapter, we report federal and state service-related spending (i.e., total payments reflected in FFS claims and managed care encounters) in comparison to total Medicaid spending (i.e., FFS payments and capitation payments made to managed care plans).¹⁴ Table 2-1 compares service-related spending with total Medicaid spending. Among all full-benefit enrollees in 2023, total Medicaid spending was 16.1 percent higher than service-related spending. However, when we limit the population to enrollees with behavioral health conditions, total Medicaid spending is 5.1 percent lower than service-related spending, which may be an indication that enrollees with behavioral health conditions use more services than the average Medicaid enrollee in managed care.¹⁵

TABLE 2-1. Total Spending on Medicaid and Medicaid-Expansion State Children's Health Insurance Program Enrollees and Those with Behavioral Health Conditions by Expenditure Type, CY 2023 (billions)

Expenditure type	Total spending for all enrollees	Total spending for enrollees with BH conditions
FFS payments to providers	\$292.7	\$168.2
Capitation payments to managed care plans	462.1	182.6
Managed care payments to providers	349.6	201.0
Total Medicaid spending (FFS plus capitation)	754.9	350.8
Total service-related spending (FFS plus encounters)	642.3	369.2
Percentage difference between total Medicaid spending and total service-related spending	16.1%	5.1%

Notes: CY is calendar year. BH is behavioral health. FFS is fee for service. This table includes spending for full-benefit Medicaid and Medicaid-expansion State Children's Health Insurance Program enrollees in CY 2023. Spending includes federal and state funds. The sum of spending across expenditure types may not equal the total due to rounding.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Limitations

Using claims data to identify behavioral health conditions and estimate use and spending is subject to certain data limitations. Enrollees with mental health or SUD conditions who did not seek or receive treatment covered by, billed to, or paid for by Medicaid or M-CHIP cannot be identified in T-MSIS data. As a result, using claims data to estimate the prevalence of behavioral health conditions can result in an underestimate. Also, because claims data do not capture functional assessments that inform the diagnosis of behavioral health conditions and are particularly important for identifying SMI, the figures presented in this report may differ from those reported using other data sources. Enrollees with I/DD conditions often use behavioral health services but may not have a documented behavioral health diagnosis. Because this analysis focuses on enrollees who use behavioral health services with an identified behavioral health condition, it may undercount behavioral health service use among enrollees with I/DD conditions.

States may make other payments to certain providers (e.g., disproportionate share hospital (DSH) payments, certain types of managed care state directed payments) that are paid on a lump-sum basis and not tied to a specific individual or service-related claim. Because the spending associated with these FFS supplemental payments and managed care state directed payments are not accounted for in our T-MSIS claims analysis, the data we present in this chapter likely understate actual spending for these individuals and services.

As mentioned above, our analysis defined behavioral health services as any service-related claim or encounter that includes a primary or secondary behavioral health–related diagnosis code. As a result of this approach, the behavioral health spending and utilization data in our analysis do not include behavioral health prescription drugs, as prescription drug claims do not capture diagnosis codes.

Medicaid and CHIP Enrollees with Behavioral Health Conditions

This analysis found that more than one-quarter of enrollees in Medicaid and M-CHIP had a behavioral health condition in 2023 (Table 2-2). Characteristics of enrollees with behavioral health conditions varied from the overall Medicaid population and differed by condition type. Despite enrollees with behavioral health conditions representing one-quarter of enrollment, their total Medicaid service-related spending accounted for more than half of overall service-related spending (Table 2-1). Furthermore, service-related spending per enrollee for individuals with any behavioral health condition was more than double that of the overall Medicaid population (Table 2-3). More than half of service-related spending on enrollees with behavioral health conditions was via managed care encounter payments (Table 2-4).

The prevalence of behavioral health conditions among Medicaid enrollees and associated spending varied (Tables 2-5 through 2-7). Although per-enrollee spending was similar for enrollees with mental health conditions versus SUDs, enrollees with co-occurring mental health and I/DD conditions had more than double the amount of per-enrollee spend.

Characteristics of enrollees with behavioral health conditions

In 2023, almost 27 million (27.6 percent) of the 98 million individuals enrolled in Medicaid and M-CHIP had a behavioral health condition (Table 2-2). For prevalence of behavioral health conditions by state, please refer to Table 2B-1 in Appendix 2B. Overall, Medicaid enrollees were age 21 through 64 (47.1 percent), were female (53.4 percent), were eligible through an adult-related (i.e., new adult group and other adults) pathway (42.0 percent), resided in urban areas (83.2 percent), and identified as white, non-Hispanic (39.1 percent). Compared with the overall Medicaid population, a larger share of enrollees with behavioral health conditions were age 21 through 64 (63.2 percent), were female (56.9 percent), were eligible through an adult-related pathway (51.1 percent), and identified as white, non-Hispanic (51.7 percent). Enrollees with behavioral health conditions also represented a larger share residing in a rural area (20.7 percent versus 16.8 percent) and a larger share dually eligible for Medicaid and Medicare (15.1 percent versus 10.8 percent) than the overall Medicaid population. Enrollees with behavioral health conditions were

predominantly individuals with mental health conditions; as a result, enrollee characteristics are similar across these two groups.

Approximately 10 million (10.6 percent) Medicaid enrollees had an SUD in 2023 (Table 2-2). Compared with the overall Medicaid population, a larger share of enrollees with an SUD were adults age 21 through 64 (85.9 percent versus 47.1 percent) and were eligible through the new adult group (46.0 percent versus 26.7 percent). Enrollees with an SUD also represented a larger share of male enrollees (49.2 percent versus 46.5 percent) and a smaller share of enrollees who identified as Hispanic (18.7 percent versus 29.1 percent) than the overall Medicaid population. Nearly six million enrollees were diagnosed with co-occurring mental health and SUD conditions. Although enrollees with behavioral health conditions were predominantly in an adult-related eligibility group, enrollees with co-occurring mental health and SUD conditions represented a larger share enrolled in the blind or disabled eligibility group (22.0 percent) compared with blind or disabled enrollees with behavioral health conditions (16.1 percent) or the overall Medicaid population (8.3 percent).

TABLE 2-2. Characteristics of Medicaid and Medicaid-Expansion State Children's Health Insurance Program Enrollees with Behavioral Health or Intellectual or Developmental Disability Conditions, CY 2023

Selected characteristics	All enrollees	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	Any I/DD	MH and I/DD
Total (millions)	97.6	26.9	22.5	10.3	5.9	5.5	2.1
Age							
0–20	44.8%	28.3%	33.1%	5.2%	6.5%	77.8%	66.8%
21–64	47.1	63.2	58.8	85.9	86.3	20.1	29.9
65+	8.0	8.6	8.1	8.9	7.2	2.2	3.3
Gender							
Male	46.5	43.1	40.5	49.2	43.8	64.9	65.1
Female	53.4	56.9	59.5	50.8	56.2	35.1	34.9
Eligibility group							
Aged	7.3	8.0	7.6	8.0	6.7	2.1	3.2
Blind or disabled	8.3	16.1	17.0	17.7	22.0	33.8	42.1
Children	35.2	19.3	22.5	3.4	4.1	50.0	36.5
Total foster care ²	1.1	2.0	2.3	0.7	0.9	3.3	5.3

TABLE 2-2. (continued)

Selected characteristics	All enrollees	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	Any I/DD	MH and I/DD
New adult group ³	26.7%	32.7%	29.4%	46.0%	43.0%	2.6%	4.8%
Other adults	15.3	18.3	17.0	23.6	22.6	1.3	2.1
M-CHIP	6.0	3.6	4.2	0.5	0.6	6.9	6.0
Dual status⁴							
Full dual	10.8	15.1	15.0	16.1	16.6	11.4	16.3
Medicaid only	89.2	84.9	85.0	83.9	83.4	88.6	83.7
Geographic location⁵							
Urban	83.2	79.3	79.2	78.7	78.1	82.6	79.9
Rural	16.8	20.7	20.8	21.3	21.9	17.4	20.1
Race and ethnicity⁶							
White, non-Hispanic	39.1	51.7	52.3	54.3	58.5	43.6	52.6
Black, non-Hispanic	19.5	18.3	17.5	19.8	17.5	18.8	17.4
API, non-Hispanic	5.7	2.6	2.4	2.1	1.3	3.2	2.0
AIAN, non-Hispanic	1.3	1.6	1.5	2.2	2.1	1.1	1.1
Multiracial, non-Hispanic	2.1	2.2	2.3	1.9	2.1	2.4	2.5
Hispanic, all races	29.1	22.7	23.2	18.7	17.6	29.6	23.9

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. M-CHIP is Medicaid-expansion State Children's Health Insurance Program. API is Asian and Pacific Islander. AIAN is American Indian and Alaska Native. This table includes all full-benefit enrollees in Medicaid and M-CHIP covered in CY 2023 and excludes those with missing or unknown age, gender, eligibility group, dual status, geographic location, or race and ethnicity, who comprise less than 3 percent of the population. Because behavioral health categories are not mutually exclusive, some enrollees appear in more than one group.

¹ Counts of enrollees with an SUD or with co-occurring mental health and SUD conditions exclude children age 0 through 12.

² Total foster care includes youth currently and formerly in foster care. Youth currently in foster care are defined as individuals for whom an adoption assistance agreement is in effect or foster care or kinship guardianship assistance maintenance payments are made under Title IV-E of the Social Security Act. Youth formerly in foster care are defined as individuals younger than age 26, not otherwise mandatorily eligible, who were in foster care and on Medicaid either when they turned age 18 or aged out of foster care.

³ The new adult group includes enrollees who are eligible under Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act.

⁴ Full-benefit dually eligible enrollees receive the full range of Medicaid benefits offered in a given state, in addition to their Medicare benefits. Medicaid pays Medicare premiums and may also pay the cost sharing for their Medicare services.

⁵ Urban or rural location is classified based on enrollee zip codes using the 2010 Rural-Urban Commuting Area code classification scheme from the U.S. Department of Agriculture. Refer to Appendix 2A for more information.

⁶ The Transformed Medicaid Statistical Information System (T-MSIS) data element for race and ethnicity is unusable or unreliable in many states. Therefore, we used the T-MSIS analytic file race and ethnicity imputation companion file for more complete enrollee race and ethnicity information. For more information regarding the race and ethnicity imputation file, refer to Appendix 2A.

Source: MACPAC, 2025, analysis of 2021–2023 T-MSIS data.

Nearly 6 percent of Medicaid enrollees had an I/DD condition in 2023, and around 2 million (2.2 percent) had co-occurring mental health and I/DD conditions (Table 2-2). Compared with the overall Medicaid population, a larger share of individuals with co-occurring mental health and I/DD conditions were children and youth age 0 through 20 (66.8 percent), were male (65.1 percent), and identified as white, non-Hispanic (52.6 percent). Although individuals with I/DD represented a larger share of enrollees in the child eligibility group than the overall population (50.0 percent versus 35.2 percent), individuals with co-occurring mental health and I/DD conditions represented a larger share of enrollees in the blind or disabled eligibility group (42.1 percent versus 8.3 percent).

Overall spending for enrollees with behavioral health conditions

In 2023, Medicaid service-related spending (FFS and encounter payments) on enrollees with behavioral health conditions was nearly \$370 billion, accounting for more than half of overall service-related spending for all Medicaid enrollees (Table 2-1). Spending per enrollee for individuals with any behavioral health condition

(\$13,723) was more than twice that of the overall Medicaid population (\$6,582). Per-enrollee spending was highest for individuals with co-occurring mental health and I/DD conditions (\$34,604) (Table 2-3). For more information on state spending on enrollees with behavioral health conditions, please refer to Tables 2B-2 and 2B-3 in Appendix 2B.

Per-enrollee service-related spending was highest for enrollees age 65 and older across all condition categories (Table 2-3). Although spending per enrollee was higher for adults age 21 through 64 than for children and youth across all condition categories, this difference was particularly large for individuals with I/DD. Spending per enrollee for adults with I/DD was about five times that of children with I/DD.

Per-enrollee service-related spending was highest for enrollees eligible through the aged or blind or disabled pathways compared with other eligibility groups across all condition categories (Table 2-3). Similarly, per-enrollee service-related spending was higher across all condition categories for enrollees dually eligible for Medicare and Medicaid compared with enrollees with Medicaid only.

TABLE 2-3. Overall Per-Enrollee Service-Related Spending among Medicaid and Medicaid-Expansion State Children's Health Insurance Program Enrollees with Behavioral Health or Intellectual or Developmental Disability Conditions by Selected Characteristics, CY 2023

Selected characteristics	All enrollees	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	Any I/DD	MH and I/DD
Total	\$6,582	\$13,723	\$14,469	\$15,583	\$19,797	\$24,974	\$34,604
Age							
0–20	3,317	7,164	7,217	11,282	13,932	12,510	15,684
21–64	7,855	14,463	15,863	15,224	19,414	65,627	69,736
65+	17,349	29,957	34,105	21,582	29,661	96,498	99,826
Gender							
Male	6,566	14,815	15,971	16,338	21,850	23,846	32,942
Female	6,598	12,896	13,447	14,854	18,195	27,058	37,699
Eligibility group							
Aged	18,486	31,257	35,243	22,726	30,701	96,906	100,205
Blind or disabled	25,402	30,305	31,756	28,640	32,227	50,800	57,736
Children	2,530	5,415	5,456	8,848	11,291	7,475	10,243
Total foster care ²	8,204	12,153	12,355	18,113	21,412	20,086	22,155

TABLE 2-3. (continued)

Selected characteristics	All enrollees	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	Any I/DD	MH and I/DD
New adult group ³	\$4,977	\$10,078	\$10,639	\$12,611	\$16,240	\$18,464	\$19,440
Other adults	4,617	8,758	9,274	10,247	12,946	30,898	33,168
M-CHIP	1,755	4,386	4,416	7,070	9,321	6,498	8,603
Dual status⁴							
Full dual	18,911	27,422	30,327	18,917	23,095	78,512	85,272
Medicaid only	5,082	11,283	11,661	14,943	19,142	18,092	24,765
Geographic location⁵							
Urban	6,548	14,036	14,820	15,988	20,481	25,264	35,409
Rural	6,750	12,521	13,127	14,087	17,356	23,597	31,403
Race and ethnicity⁶							
White, non-Hispanic	7,835	13,977	14,846	14,882	18,389	31,125	38,943
Black, non-Hispanic	6,670	15,004	16,042	17,465	23,755	23,260	34,857
API, non-Hispanic	6,283	16,295	17,207	16,521	23,318	27,301	42,706
AIAN, non-Hispanic	9,106	17,826	19,249	22,067	28,972	22,984	34,782
Multiracial, non-Hispanic	5,213	11,089	11,439	14,965	18,721	16,997	23,466
Hispanic, all races	4,976	11,690	12,051	14,770	19,187	17,337	25,406

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. M-CHIP is Medicaid-expansion State Children's Health Insurance Program. API is Asian and Pacific Islander. AIAN is American Indian and Alaska Native. This table includes CY 2023 spending for all full-benefit enrollees in Medicaid and M-CHIP and excludes those with missing or unknown age, gender, eligibility group, dual status, geographic location, or race and ethnicity, who comprise less than 3 percent of total spending. Because behavioral health categories are not mutually exclusive, some enrollees appear in more than one group. Spending includes federal and state funds.

¹ Spending amounts on enrollees diagnosed with an SUD or co-occurring mental health and SUD conditions exclude children age 0 through 12.

² Total foster care includes youth currently and formerly in foster care. Youth currently in foster care are defined as individuals for whom an adoption assistance agreement is in effect or foster care or kinship guardianship assistance maintenance payments are made under Title IV-E of the Social Security Act. Youth formerly in foster care are defined as individuals younger than age 26, not otherwise mandatorily eligible, who were in foster care and on Medicaid either when they turned age 18 or aged out of foster care.

³ The new adult group includes enrollees who are eligible under Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act.

⁴ Full-benefit dually eligible enrollees receive the full range of Medicaid benefits offered in a given state, in addition to their Medicare benefits. Medicaid pays Medicare premiums and may also pay the cost sharing for their Medicare services.

⁵ Urban or rural location is classified based on enrollee zip codes using the 2010 Rural-Urban Commuting Area code classification scheme from the U.S. Department of Agriculture. Refer to Appendix 2A for more information.

⁶ The Transformed Medicaid Statistical Information System (T-MSIS) data element for race and ethnicity is unusable or unreliable in many states. Therefore, we used the T-MSIS analytic file race and ethnicity imputation companion file for more complete enrollee race and ethnicity information. For more information regarding the race and ethnicity imputation file, refer to Appendix 2A.

Source: MACPAC, 2025, analysis of 2021–2023 T-MSIS data.

Across race and ethnicity groups, the highest per-enrollee spending among enrollees with behavioral health conditions was for those who identify as American Indian and Alaska Native, non-Hispanic (\$17,826), who represented 1.6 percent of enrollees with a behavioral health condition (Tables 2-2 and 2-3). Within each race and ethnicity group, per-enrollee costs for Asian or Pacific Islander, non-Hispanic; Hispanic; and Black, non-Hispanic, enrollees with behavioral health conditions were more than double the overall per-enrollee average for their group.

In 2023, managed care payments to providers accounted for more than half (54.5 percent) of service-related spending on enrollees with behavioral health conditions (Table 2-4). The share of spending attributable to managed care payments was highest for enrollees with any SUD (62.0 percent) and co-occurring mental health and SUD conditions (60.8 percent). Conversely, FFS spending was highest for individuals with any I/DD condition (68.8 percent) and co-occurring mental health and I/DD conditions (70.7 percent).

TABLE 2-4. Overall Spending by Medicaid and Medicaid-Expansion State Children's Health Insurance Program Enrollees with Behavioral Health or Intellectual or Developmental Disability Conditions, CY 2023 (billions)

Population	Total service-related spending		Fee-for-service spending		Managed care payments to providers	
	Dollars	% of total enrollee spending	Dollars	% of service-related spending	Dollars	% of service-related spending
All Medicaid enrollees	\$642.3	100.0%	\$292.7	45.6%	\$349.6	54.4%
Any BH	369.2	57.5	168.2	45.6	201.0	54.4
Any MH	326.0	50.8	153.2	47.0	172.8	53.0
Any SUD	160.3	25.0	61.0	38.0	99.4	62.0
MH and SUD	117.2	18.2	46.0	39.2	71.2	60.8
I/DD	137.5	21.4	94.6	68.8	42.9	31.2
MH and I/DD	72.4	11.3	51.1	70.7	21.2	29.3

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. This table reports CY 2023 spending by delivery system (fee for service and managed care), which does not correspond directly to enrollment; enrollees in either delivery system may generate spending in both categories. Spending includes federal and state funds. This table includes spending for all full-benefit Medicaid and Medicaid-expansion State Children's Health Insurance Program enrollees. Spending amounts on enrollees diagnosed with an SUD or co-occurring mental health and SUD conditions exclude children age 0 through 12. Because enrollees may have more than one behavioral health condition, percentages in the total enrollee spending column will sum to more than 100 percent. However, percentages in the fee-for-service and managed care spending columns sum to 100 percent within each row, as they reflect the distribution of total spending for each population by payment type.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Prevalence and spending by specific behavioral health conditions

Behavioral health conditions varied widely in prevalence and associated spending among Medicaid enrollees. Anxiety and depressive disorders were among the most common mental health conditions, while SMI was associated with the highest spending per enrollee (Table 2-5). Enrollees with co-occurring mental health and I/DD conditions were also associated with high service-related spending per enrollee (Table 2-7).

Mental health conditions

Among enrollees with a mental health condition, the most prevalent conditions were anxiety disorders (55.6 percent) and depressive and mood disorders (45.8 percent) (Table 2-5). However, total service-related spending per enrollee was highest for enrollees with SMI (\$24,240) and conduct disorders (\$23,351).

TABLE 2-5. Prevalence and Overall Service-Related Spending among Medicaid and Medicaid-Expansion State Children’s Health Insurance Program Enrollees with Mental Health Conditions by Selected Mental Health Conditions, CY 2023

Mental health conditions	Number of enrollees (millions)	Total service-related spending (billions)	Total spending per enrollee
With a mental health condition	22.5	\$326.0	\$14,469
Specific conditions			
Attention deficit hyperactivity disorder	4.3	45.8	10,634
Adjustment disorder	4.2	61.3	14,537
Anxiety disorders	12.5	189.2	15,105
Conduct disorders	1.5	34.8	23,351
Depressive and mood disorders	10.3	185.4	17,939
Other mental health disorders	1.3	25.9	19,888
Serious mental illness ¹	5.0	120.5	24,240
Suicide or self-harm	1.7	38.1	22,747

Notes: CY is calendar year. This table includes CY 2023 enrollment and spending for all full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees. Spending includes federal and state funds. Because enrollees can have multiple mental health conditions, prevalence estimates for specific conditions are not mutually exclusive, and the sum of enrollees or spending across conditions may be greater than the totals. Total spending per enrollee indicates the total service-related spending (fee for service plus encounter spending) divided by the number of enrollees with that condition.

¹ Although not a diagnostic term, “serious mental illness” describes a diagnosable mental, behavioral, or emotional disorder (e.g., bipolar disorder and schizophrenia) experienced by someone older than age 18 that substantially interferes with their life and ability to function.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

SUD conditions

Most enrollees with an SUD had a tobacco use disorder (62.1 percent) (Table 2-6). Further, one in four Medicaid enrollees had an alcohol use disorder (25.2 percent). Total service-related spending per enrollee ranged from \$16,902 (drug use disorders—cannabis) to \$20,629 (drug use disorders—stimulants).

I/DD conditions

In 2023, approximately 5.5 million Medicaid enrollees had an I/DD condition, of which 2.1 million had co-occurring I/DD and mental health conditions with overall spending of more than \$72 billion (Tables 2-2 and 2-7). The most prevalent co-occurring mental health conditions for individuals with I/DD were attention deficit hyperactivity disorder (42.9 percent), anxiety disorders (42.9 percent), and depressive and mood disorders (28.6 percent). Of those three co-occurring conditions,

service-related spending per enrollee was highest for those with I/DD and depressive and mood disorders (\$46,122). Among all enrollees with co-occurring I/DD and mental health conditions, service-related spending per enrollee was highest for enrollees with I/DD and SMI (\$69,506).

Behavioral Health Service Use and Spending in Medicaid and CHIP

More than 16 million Medicaid enrollees who are not eligible for both Medicaid and Medicare with behavioral health conditions used behavioral health services (excluding prescription drugs), and 14.3 million used behavioral health drugs in 2023, accounting for \$79.8

TABLE 2-6. Prevalence and Overall Service-Related Spending among Medicaid and Medicaid-Expansion State Children's Health Insurance Program Enrollees with Substance Use Disorder Conditions by Selected Substance Use Disorder Conditions, CY 2023

SUD conditions	Number of enrollees (millions)	Total service-related spending (billions)	Total spending per enrollee
With an SUD condition	10.3	\$160.3	\$15,645
Specific conditions			
Alcohol use disorders	2.6	50.6	19,369
Tobacco use disorders	6.4	112.0	17,416
Drug use disorders—opioids	2.3	44.8	19,268
Drug use disorders—cannabis	1.9	32.6	16,902
Drug use disorders—stimulants	1.8	36.9	20,629

Notes: CY is calendar year. SUD is substance use disorder. This table includes CY 2023 enrollment and spending for all full-benefit Medicaid and Medicaid-expansion State Children's Health Insurance Program enrollees. Spending includes federal and state funds. Total spending per enrollee indicates the total service-related spending (fee for service plus encounter spending) divided by the number of enrollees with that condition. Spending amounts on enrollees diagnosed with specific SUD conditions do not exclude children age 0 through 12 because of data limitations. Because enrollees can have multiple SUD conditions, prevalence estimates for specific conditions are not mutually exclusive, and the sum of enrollees or spending across conditions may be greater than the totals. This table highlights SUD conditions with the highest prevalence among Medicaid enrollees.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

billion and \$15.5 billion, respectively, in behavioral health spending (Table 2-8 and Figure 2-1). Patterns of utilization and spending for behavioral health services and prescription drugs among Medicaid enrollees varied by condition category.

Behavioral health service use by care setting

Most non-dually eligible Medicaid enrollees with behavioral health conditions who used behavioral health services (excluding prescription drugs) received care in outpatient settings (63.8 percent), which accounted for about one-third of total behavioral health

spending (Table 2-8). In contrast, fewer enrollees used inpatient care (29.7 percent), which accounted for 27.6 percent of spending. Approximately 15 percent of enrollees received services in FQHCs (14.8 percent) and community mental health center (CMHCs) (16.0 percent), and these settings represented 3.2 percent and 8.0 percent of spending, respectively. Although almost one-quarter of enrollees used telehealth, spending on telehealth services remained below 5 percent of total behavioral health spending. Because enrollees with a mental health condition comprise a large share of enrollees with behavioral health conditions, their utilization and spending by care setting largely align with these trends.

TABLE 2-7. Prevalence and Overall Service-Related Spending among Medicaid and Medicaid-Expansion State Children's Health Insurance Program Enrollees with Co-Occurring Intellectual or Developmental Disability and Mental Health Conditions by Mental Health Conditions, CY 2023

Co-occurring mental health conditions	Number of enrollees (millions)	Total service-related spending (billions)	Total spending per enrollee
With an I/DD and a mental health condition	2.1	\$72.4	\$34,604
Specific conditions			
Attention deficit hyperactivity disorder	0.9	19.1	20,168
Adjustment disorder	0.5	13.6	28,572
Anxiety disorders	0.9	33.2	39,027
Conduct disorders	0.4	19.4	46,361
Depressive and mood disorders	0.6	29.2	46,122
Other mental health disorders	0.2	8.3	39,247
Serious mental illness ¹	0.4	30.6	69,506
Suicide/self-harm	0.2	8.0	49,908

Notes: CY is calendar year. I/DD is intellectual or developmental disabilities. This table includes CY 2023 enrollment and spending for all full-benefit Medicaid and Medicaid-expansion State Children's Health Insurance Program enrollees. Spending includes federal and state funds. Because enrollees can have multiple mental health conditions, prevalence estimates for specific conditions are not mutually exclusive, and the sum of enrollees or spending across conditions may be greater than the totals. Total spending per enrollee indicates the total service-related spending (fee for service plus encounter spending) divided by the number of enrollees with that condition. Other mental health disorders include disorders that do not meet the criteria for the conditions listed in this table.

¹ Although not a diagnostic term, "serious mental illness" describes a diagnosable mental, behavioral, or emotional disorder (e.g., bipolar disorder and schizophrenia) experienced by someone older than age 18 that substantially interferes with their life and ability to function.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Enrollees with an SUD relied more heavily on inpatient and emergency department care than enrollees with a mental health condition (Table 2-8). Nearly half received inpatient care (49.2 percent), and one-quarter used emergency departments (24.9 percent). Inpatient care accounted for a larger share of total spending among enrollees with an SUD (39.8 percent) than among those with a mental health condition (26.9 percent). In contrast, enrollees with an SUD were less likely to

receive care in an outpatient setting (57.5 percent) or via telehealth (20.4 percent) compared with enrollees with a mental health condition (66.6 percent and 26.3 percent, respectively). Enrollees with co-occurring mental health and SUD conditions were more likely to receive care in an emergency department (27.2 percent) compared to enrollees with mental health conditions (12.3 percent).

TABLE 2-8. Total Behavioral Health Service Use and Spending among Non-Dually Eligible Users in Medicaid and Medicaid-Expansion State Children’s Health Insurance Program with Behavioral Health Conditions by Care Setting, CY 2023

Care setting	Any BH		Any MH		Any SUD		MH and SUD	
	BH users (millions)	BH spending (billions)	BH users (millions)	BH spending (billions)	BH users (millions)	BH spending (billions)	BH users (millions)	BH spending (billions)
Total	16.1	\$79.8	14.2	\$74.9	6.0	\$36.6	4.1	\$31.7
Share of users and spending by care setting								
CMHC	16.0%	8.0%	17.6%	8.2%	15.4%	6.7%	20.4%	7.1%
Emergency department	13.2	1.0	12.3	1.0	24.9	1.7	27.2	1.7
FQHC	14.8	3.2	15.6	3.2	15.0	2.8	17.9	2.8
Inpatient	29.7	27.6	27.2	26.9	49.2	39.8	49.7	40.3
Outpatient hospital	10.3	1.8	10.0	1.8	14.6	2.1	15.6	2.0
Outpatient	63.8	33.6	66.6	33.8	57.5	25.0	64.3	24.1
SUD residential	1.6	2.6	1.4	2.3	4.2	5.6	4.8	5.4
Telehealth	24.2	4.6	26.3	4.7	20.4	3.1	26.1	3.3
Other settings	25.6	17.8	25.9	18.2	35.3	13.1	40.9	13.3

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. CMHC is community mental health clinic. FQHC is federally qualified health center. This table includes CY 2023 behavioral health–related utilization and spending, excluding prescription drugs, for non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees with behavioral health conditions. Spending includes federal and state funds. User counts and spending amounts for enrollees diagnosed with an SUD or co-occurring mental health and SUD conditions exclude children age 0 through 12. Total behavioral health spending on enrollees with a behavioral health diagnosis represents spending on services with a primary or secondary behavioral health diagnosis code. Because enrollees can receive services in multiple care settings, user percentages sum to more than 100. Behavioral health spending percentages across care settings will sum to 100.

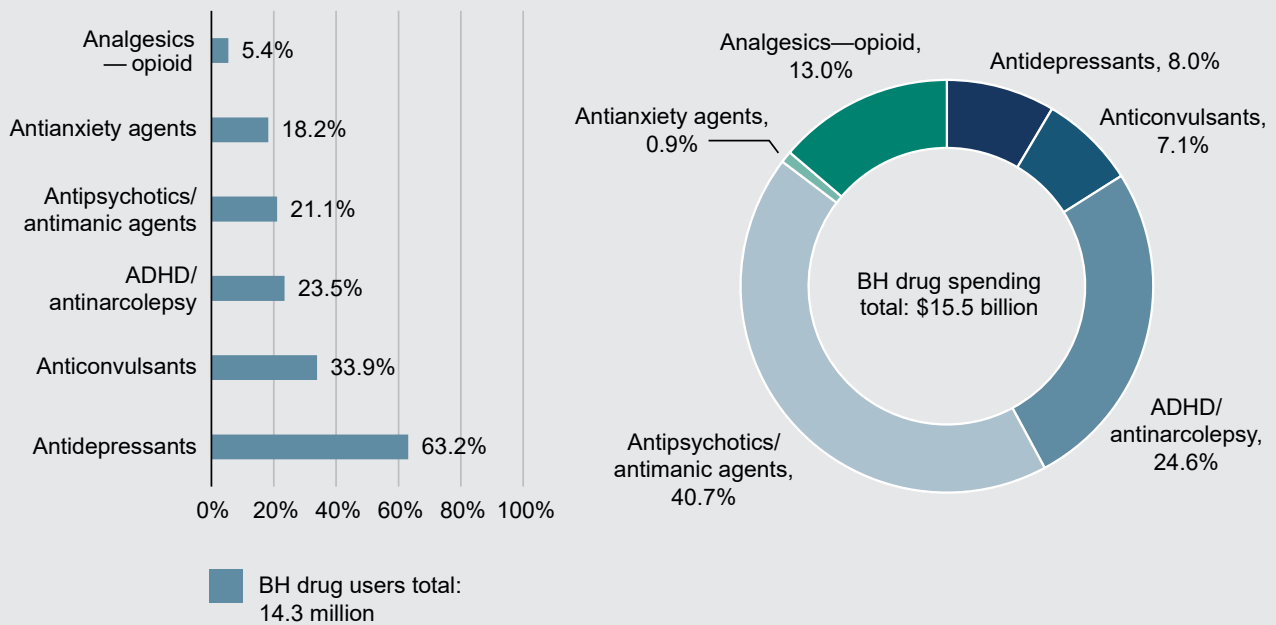
Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Behavioral health drug use and spending

Among non-dually eligible enrollees with behavioral health conditions who used behavioral health drugs in 2023, antidepressants were the most commonly used drug group (63.2 percent of users), though antidepressants accounted for a relatively smaller share of behavioral health drug spending (8.0 percent)

(Figure 2-1). Approximately one-third of users used anticonvulsant drugs (33.9 percent), which accounted for 7.1 percent of behavioral health drug spending. The drug group that represented the largest share of spending was antipsychotics or antimanic agents (40.7 percent), though the share of users was much smaller (21.1 percent).

FIGURE 2-1. Behavioral Health Drug Use and Spending among Non-Dually Eligible Users in Medicaid and Medicaid-Expansion State Children’s Health Insurance Program with Behavioral Health Conditions by Drug Group, CY 2023



Notes: CY is calendar year. ADHD is attention deficit hyperactivity disorder. BH is behavioral health. This figure includes CY 2023 behavioral health drug utilization and spending for non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees with behavioral health conditions. Because enrollees can use multiple behavioral health drugs, user percentages sum to more than 100. Spending includes federal and state funds. The percentages for spending on behavioral health drugs across all drug groups will sum to 100.

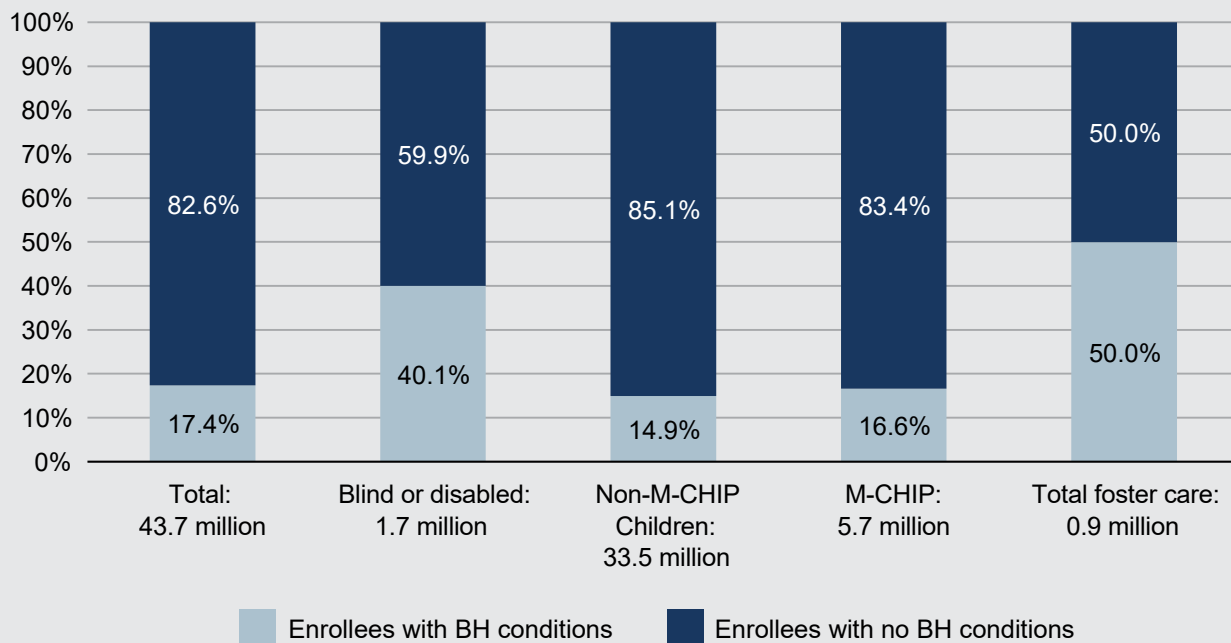
Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Children and Youth in Medicaid and CHIP with Behavioral Health Conditions

More than 17 percent of children and youth younger than age 21 enrolled in Medicaid or M-CHIP had a behavioral health condition in 2023 (Figure 2-2). Behavioral health conditions were more prevalent among children and youth in the foster care eligibility group; those identifying as white, non-Hispanic; and those residing in a rural area (Figures 2-2 through 2-4).

Spending on behavioral health services represented half of total service-related spending for children and youth with behavioral health conditions in 2023 (Table 2-9). Nearly three-quarters of children and youth with behavioral health conditions used at least one behavioral health service (Figure 2-5). Almost three-quarters of children and youth received behavioral health services in outpatient settings, which accounted for more than 40 percent of their total behavioral health spending (Figure 2-6). More than half of child and youth enrollees with behavioral health conditions used attention deficit hyperactivity disorder drugs, which represented the largest share of behavioral drug spending (Figure 2-7).

FIGURE 2-2. Behavioral Health Prevalence among Children and Youth in Medicaid and Medicaid-Expansion State Children’s Health Insurance Program by Eligibility Group, CY 2023



Notes: CY is calendar year. M-CHIP is Medicaid-expansion State Children’s Health Insurance Program. BH is behavioral health. This figure includes non-dually eligible, full-benefit enrollees in Medicaid and M-CHIP younger than age 21 in CY 2023 and shows the eligibility groups only with the largest number of child and youth enrollees; as a result, the sum across eligibility groups will not equal the total. This figure excludes 4.3 percent of enrollees younger than age 21 who belong to adult-related pathways. Non-M-CHIP children include enrollees eligible for Medicaid through a child-related eligibility pathway who are not in a blind or disabled or foster care eligibility group. Total foster care includes individuals for whom an adoption assistance agreement is in effect or foster care or kinship guardianship assistance maintenance payments are made under Title IV-E of the Social Security Act and also includes individuals younger than age 26, not otherwise mandatorily eligible, who were in foster care and on Medicaid either when they turned age 18 or aged out of foster care.

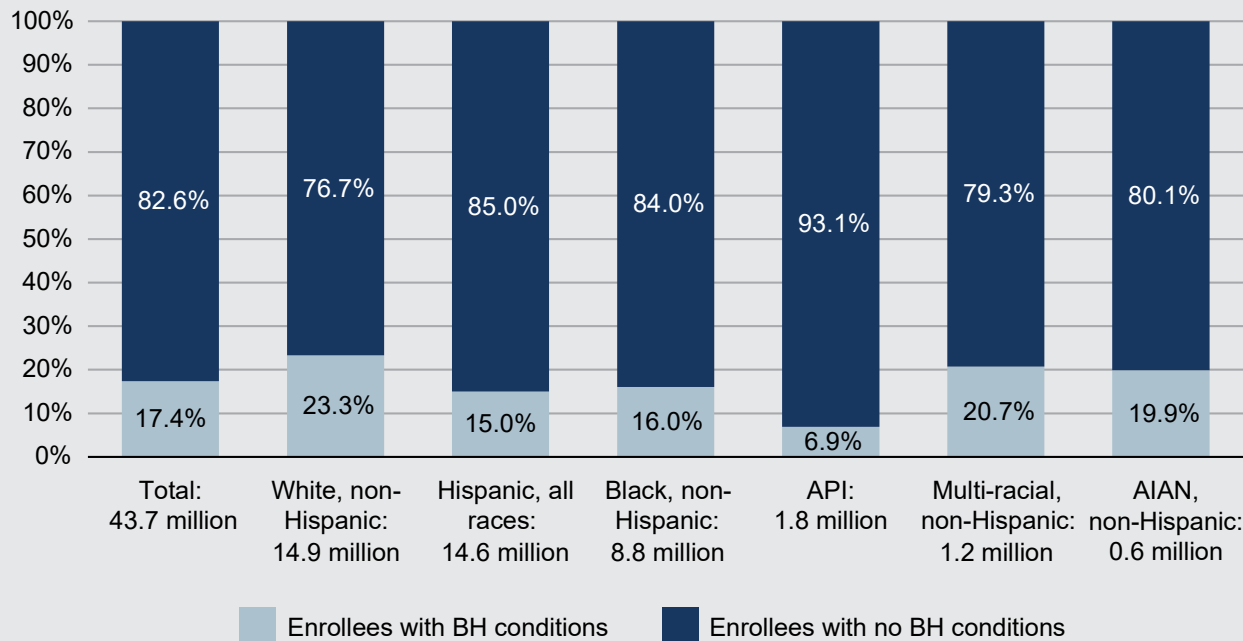
Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Prevalence of behavioral health conditions among children and youth

Behavioral health conditions were most prevalent among children and youth in the foster care and blind or disabled eligibility groups, with 50.0 percent and 40.1 percent of enrollees, respectively, having a behavioral health condition in 2023 (Figure 2-2). By comparison with these groups, the prevalence of behavioral health conditions in M-CHIP was lower (16.6 percent), similar to the overall rate among all children and youth age 0 through 20 who are in a non-M-CHIP child-related eligibility group (17.4 percent).

Children and youth who identified as white, non-Hispanic, had the highest prevalence of behavioral health conditions in 2023 (23.3 percent), while those who identified as Asian or Pacific Islander, non-Hispanic, had the lowest prevalence (6.9 percent) (Figure 2-3). Hispanic and Black, non-Hispanic, enrollees had slightly lower rates of behavioral health conditions compared with the overall group of child enrollees (15.0 percent and 16.0 percent versus 17.4 percent, respectively), while American Indian and Alaska Native, non-Hispanic, and multiracial enrollees had slightly higher rates (19.9 percent and 20.7 percent, respectively).

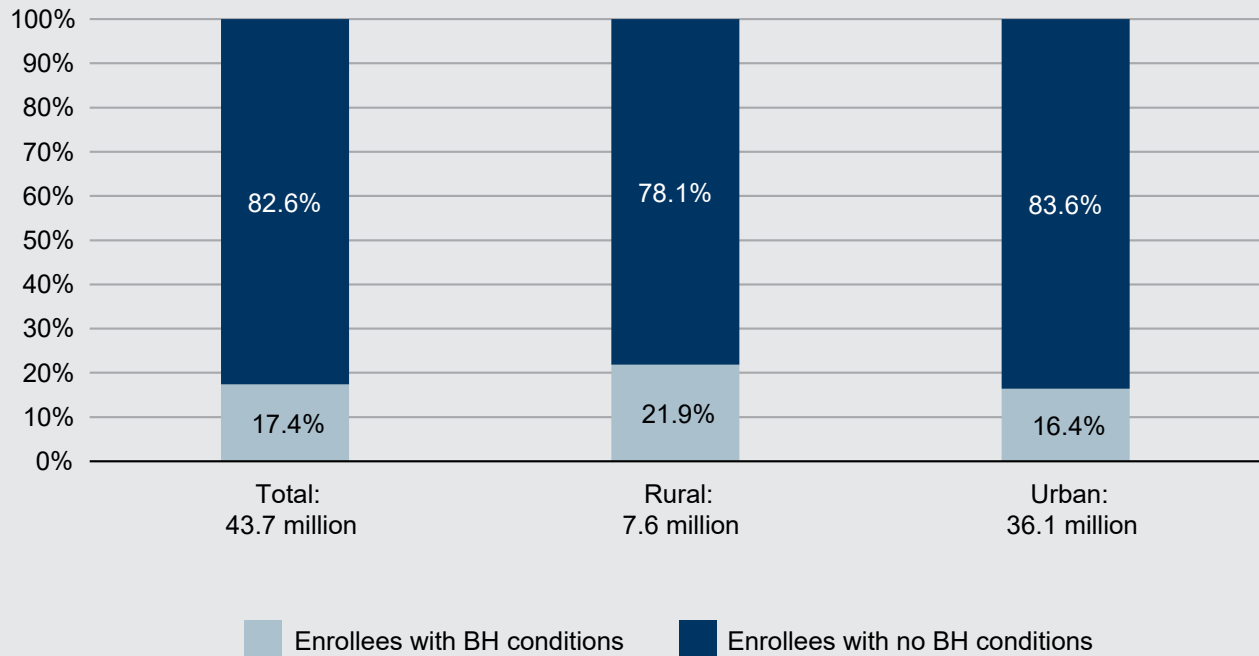
FIGURE 2-3. Behavioral Health Prevalence among Children and Youth in Medicaid and Medicaid-Expansion State Children’s Health Insurance Program by Race and Ethnicity, CY 2023



Notes: CY is calendar year. API is Asian and Pacific Islander. AIAN is American Indian and Alaska Native. BH is behavioral health. This figure includes non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees younger than age 21 and excludes enrollees with missing or unknown race or ethnicity, who represent less than 5 percent of the population. The sum across racial and ethnic groups may not equal the total.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

FIGURE 2-4. Behavioral Health Prevalence among Children and Youth in Medicaid and Medicaid-Expansion State Children’s Health Insurance Program by Geographic Location, CY 2023



Notes: CY is calendar year. BH is behavioral health. Urban or rural location is classified based on enrollee zip codes using the 2010 Rural-Urban Commuting Area code classification scheme from the U.S. Department of Agriculture. Refer to Appendix 2A for more information. This figure includes non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees younger than age 21 and excludes enrollees with missing zip codes, who represent less than 0.5 percent of the population.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

In 2023, a larger share of child and youth enrollees residing in rural areas had a behavioral health condition (21.9 percent), compared with enrollees residing in urban areas (16.4 percent) (Figure 2-4).

Spending patterns among children and youth

In 2023, spending on behavioral health services represented nearly half of total service-related spending for children and youth with behavioral health conditions

(Table 2-9). Percentages referenced in this section are derived from table data. Total behavioral health spending reflects services only and excludes spending on behavioral health drugs, while total service-related spending includes drug spending. Spending per enrollee on behavioral health services was highest for those with co-occurring mental health and SUD conditions (\$11,163) and lowest for those with mental health conditions (\$4,760).

Although enrollees age 13 through 17 comprised the largest share of behavioral health–related spending of those with a mental health condition (35.6 percent), behavioral health–related spending per enrollee was similar across age groups for enrollees with a mental health condition (approximately \$5,000 per enrollee) (Table 2-9). In contrast, there was more substantial variation by age within the other condition categories. For those with SUD conditions, enrollees age 13 through 17 had the highest per-enrollee spending on behavioral health–related services (\$12,674), which was more than double that of enrollees age 18 through

20 (\$6,087). In addition, the share of behavioral health service spending on enrollees age 13 through 17 (69.7 percent) was higher than enrollees age 18 through 20 (48.1 percent). Older child and youth enrollees (age 18 through 20) with I/DD conditions had the highest per-enrollee behavioral health spending (\$13,705). Two-thirds of spending for enrollees with mental health and SUD conditions was on behavioral health–related services, and an even higher proportion was spent on behavioral health–related services for those age 13 through 17 (76.7 percent of total spending).

TABLE 2-9. Overall and Behavioral Health–Related Spending among Children and Youth in Medicaid and Medicaid-Expansion State Children’s Health Insurance Program with Behavioral Health or Intellectual or Developmental Disability Conditions by Age and Condition Category, CY 2023

Age groups	Total enrollees (millions)	Total spending (billions)	Total spending per enrollee	Total BH users (millions)	Total BH spending (billions)	Total BH spending per BH user
BH conditions	7.6	\$54.3	\$7,137	5.6	\$26.5	\$4,712
0–5	0.4	3.7	9,802	0.3	1.6	4,977
6–12	2.7	18.3	6,752	2.2	9.4	4,304
13–17	2.9	21.7	7,427	2.2	11.4	5,301
18–20	1.6	10.5	6,626	1.0	4.2	4,240
MH conditions	7.5	53.6	7,190	5.5	26.4	4,760
0–5	0.4	3.7	9,802	0.3	1.5	4,995
6–12	2.7	18.3	6,752	2.2	9.4	4,305
13–17	2.9	21.5	7,473	2.1	11.4	5,354
18–20	1.5	10.0	6,780	0.9	4.1	4,391
SUD conditions	0.5	6.0	11,223	0.4	3.6	9,169
0–5	–	–	–	–	–	–
6–12	–	–	–	–	–	–
13–17	0.2	3.3	14,780	0.2	2.3	12,674
18–20	0.3	2.7	8,716	0.2	1.3	6,087
I/DD conditions	4.3	53.2	12,457	3.4	22.7	6,682
0–5	1.5	16.2	11,078	1.2	5.9	5,041
6–12	1.8	19.6	10,666	1.5	8.9	6,068
13–17	0.7	11.7	16,107	0.6	5.4	9,191
18–20	0.2	5.7	23,229	0.2	2.6	13,705

TABLE 2-9. (continued)

Age groups	Total enrollees (millions)	Total spending (billions)	Total spending per enrollee	Total BH users (millions)	Total BH spending (billions)	Total BH spending per BH user
MH and SUD conditions	0.4	\$5.3	\$13,863	0.3	\$3.5	\$11,163
0–5	–	–	–	–	–	–
6–12	–	–	–	–	–	–
13–17	0.2	3.0	17,598	0.2	2.3	14,892
18–20	0.2	2.3	10,812	0.2	1.2	7,564
MH and I/DD conditions	1.4	21.7	15,592	1.3	12.0	9,485
0–5	0.2	2.5	15,907	0.1	1.2	8,342
6–12	0.7	9.0	12,782	0.7	5.0	7,680
13–17	0.4	6.9	17,619	0.4	4.0	11,282
18–20	0.1	3.3	23,847	0.1	1.8	15,384

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. Behavioral health utilization and spending among children and youth with SUDs excludes children age 0 through 12. This table includes CY 2023 enrollment and spending for non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children's Health Insurance Program enrollees younger than age 21. Spending includes federal and state funds. Total behavioral health spending on enrollees with a behavioral health diagnosis represents spending on services with a primary or secondary behavioral health diagnosis code and excludes spending on behavioral health drugs. The sum of enrollment or spending across age groups may not equal the totals due to rounding.

– Dash indicates zero.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

The share of behavioral health spending was highest for enrollees with mental health conditions and I/DD in most age groups (i.e., 0 through 5, 6 through 12, 18 through 20) (Table 2-9). Among enrollees age 13 through 17, those with co-occurring mental health and SUD conditions represented the largest share of spending on behavioral health services (76.7 percent).

Behavioral health service use among children and youth

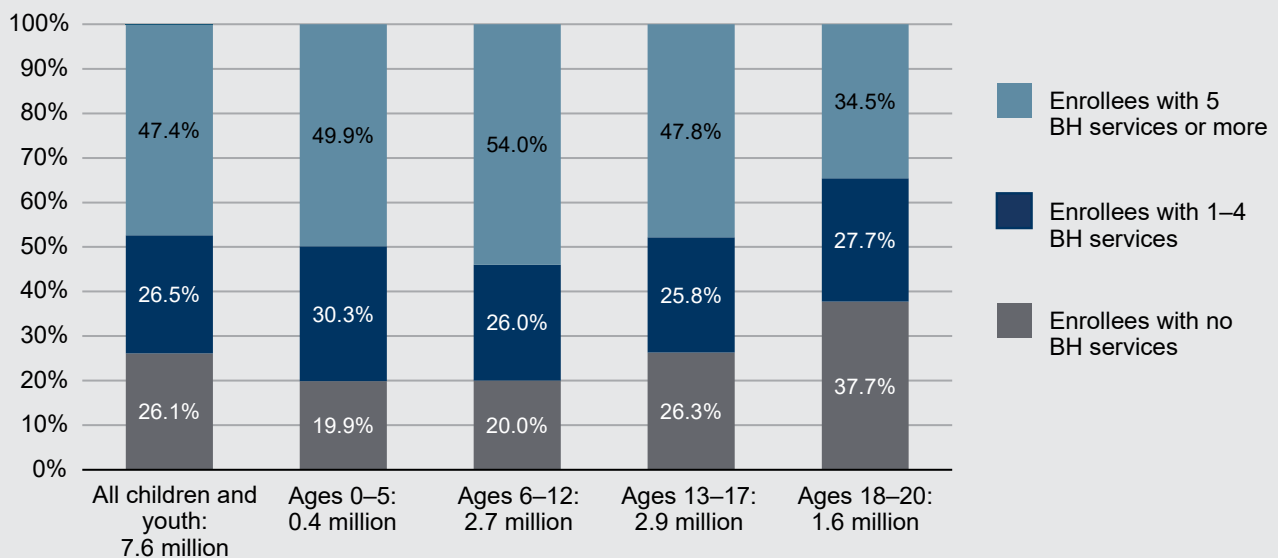
In 2023, almost three-quarters of children and youth age 0 through 20 in Medicaid and M-CHIP with behavioral health conditions (73.9 percent) used at least one behavioral health service (Figure 2-5). Just under half of children and youth with behavioral health conditions (47.4 percent) used five or more behavioral health services in 2023. Children age 6 through 12 used behavioral health services most frequently (54.0 percent).

Approximately 5.6 million children and youth enrolled in Medicaid and M-CHIP with behavioral health conditions used behavioral health services (excluding prescription drugs) in 2023, accounting for \$26.5 billion in behavioral health spending (Table 2-9). Most users in this age group received behavioral health services in non-hospital outpatient settings (72.4 percent), which accounted for more than 40 percent of their total behavioral health spending (Figure 2-6). Just over 20 percent of users received inpatient care, representing 21.4 percent of spending. Additional commonly used care settings among this population include telehealth (24.3 percent), CMHCs (19.2 percent), and FQHCs (12.6 percent). Although less than 1 percent of enrollees used PRTF services, these services accounted for just under 3 percent of total behavioral health spending for this age group.

In 2023, 3.5 million children and youth with behavioral health conditions used behavioral health drugs and generated \$3.2 billion in spending (Figure 2-7). Among enrollees age 0 through 20 with behavioral health conditions that used behavioral health drugs, more than half (59.0 percent) used attention deficit hyperactivity disorder drugs, which represented the largest share of behavioral drug spending (75.9

percent) for this age group. Almost half of enrollees in this age group used antidepressants (45.5 percent), but this drug group accounted for less than 4 percent of behavioral health drug spending. Approximately 17 percent of enrollees used antipsychotic drugs, accounting for about 12 percent of spending in this age group.

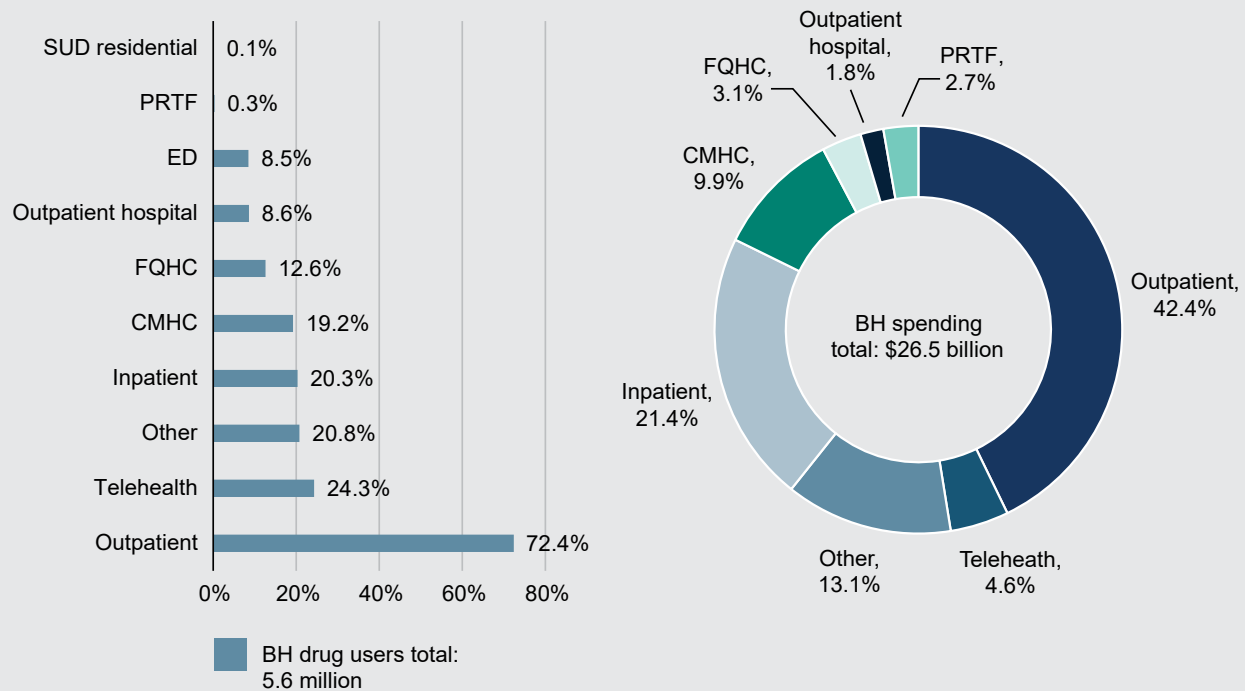
FIGURE 2-5. Behavioral Health Service Use among Children and Youth in Medicaid and Medicaid-Expansion State Children’s Health Insurance Program with Behavioral Health Conditions by Age Group, CY 2023



Notes: CY is calendar year. BH is behavioral health. This figure includes non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees younger than age 21 with behavioral health conditions in CY 2023. The number under each bar represents the number of enrollees with behavioral health conditions in CY 2023. All children and youth include enrollees age 0 through 20. Prevalence of behavioral health conditions excludes children age 0 through 12 with a substance use disorder. Enrollees with no services include enrollees who met the criteria for a behavioral health condition based on service use information during the lookback period used for this analysis but did not have any behavioral health–related service use during CY 2023 (excluding prescription drugs).

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

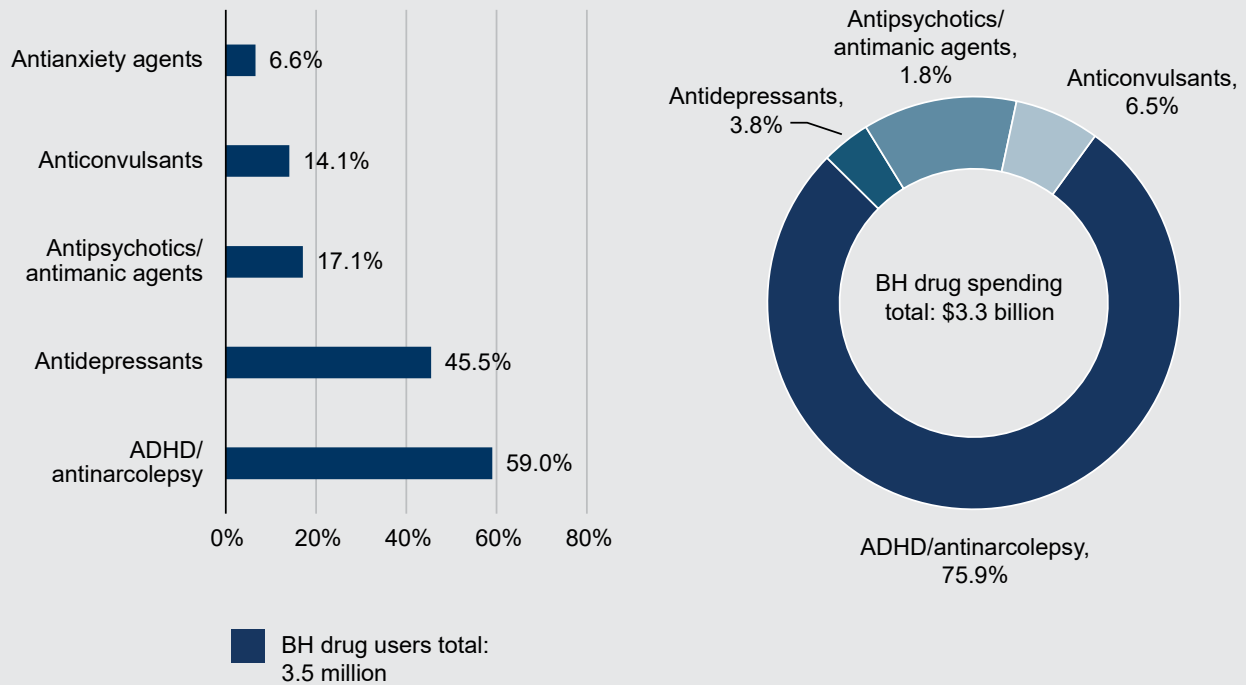
FIGURE 2-6. Total Behavioral Health Service Use and Spending among Children and Youth Users in Medicaid or Medicaid-Expansion State Children’s Health Insurance Program with Behavioral Health Conditions by Care Setting, CY 2023



Notes: CY is calendar year. SUD is substance use disorder. PRTF is psychiatric residential treatment facility. ED is emergency department. FQHC is federally qualified health center. CMHC is community mental health clinic. BH is behavioral health. This figure includes CY 2023 behavioral health–related utilization and spending (excluding prescription drugs) for non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees younger than age 21 with behavioral health conditions. Spending includes federal and state funds. Outpatient includes services received in a clinic, office, or home setting. Because enrollees can receive services in multiple care settings, user percentages sum to more than 100. Behavioral health spending percentages across care settings will sum to 100. Spending for ED and SUD residential settings are not shown in the doughnut chart; they represent less than 1 percent of total spending on behavioral health services.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

FIGURE 2-7. Behavioral Health Drug Use and Spending among Children and Youth Users in Medicaid or Medicaid-Expansion State Children’s Health Insurance Program with Behavioral Health Conditions by Drug Group, CY 2023



Notes: CY is calendar year. ADHD is attention deficit hyperactivity disorder. BH is behavioral health. This figure includes CY 2023 utilization and spending for non-dually eligible, full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees younger than age 21 with behavioral health conditions. Because enrollees can use multiple behavioral health drugs, user percentages sum to more than 100. Spending includes federal and state funds. The percentages for spending on behavioral health drugs across all drug groups will sum to 100. Spending for antianxiety agents and other drug groups are not shown on the doughnut chart; they represent 2 percent of total spending on behavioral health drugs.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Adults Younger Than Age 65 in Medicaid with Behavioral Health Conditions

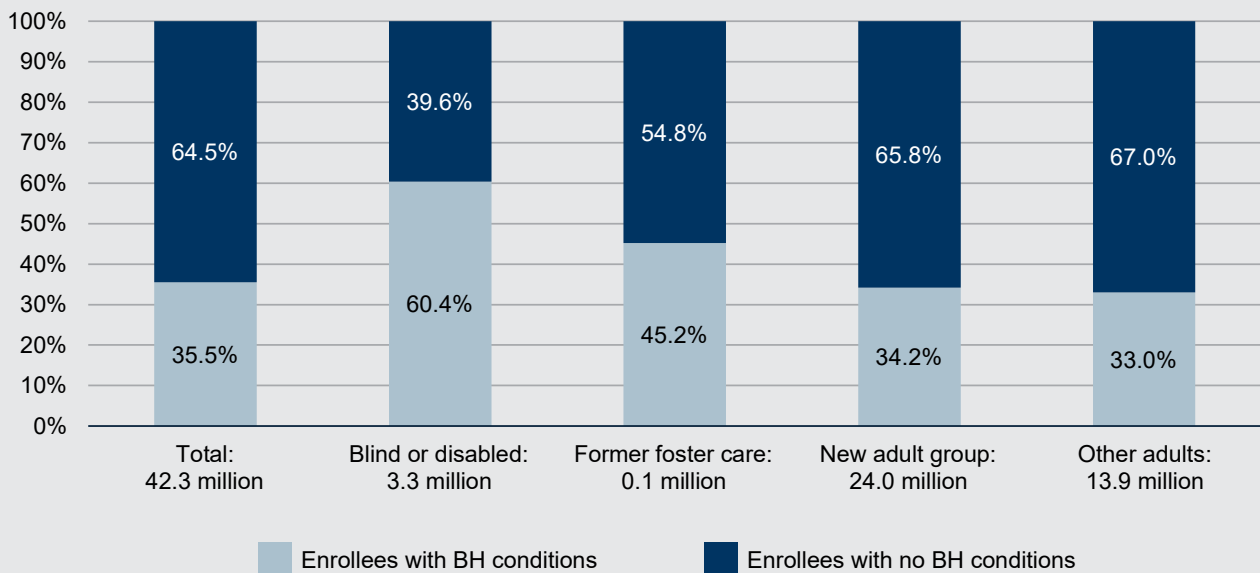
More than one-third of non-dually eligible adults age 21 through 64 enrolled Medicaid had a behavioral health condition in 2023 (Figure 2-8). Behavioral health conditions were most prevalent among adults in the blind or disabled eligibility group; those identifying as American Indian and Alaska Native, non-Hispanic; and adults residing in a rural area (Figures 2-8 through 2-10). Behavioral health spending represented more than one-fourth of total service-related spending for adults younger than age 65 in Medicaid with behavioral health conditions (Table 2-10). Adult enrollees in the blind or disabled eligibility group had the highest rates of behavioral health care utilization (Figure 2-11). More than half

of adults with behavioral health conditions received behavioral health services in outpatient settings, which accounted for just under 29 percent of their total behavioral health spending (Figure 2-12).

Prevalence of behavioral health conditions among adults younger than age 65

Behavioral health conditions were most prevalent among adults in the blind or disabled eligibility group (60.4 percent), followed by the youth formerly in foster care eligibility group (45.2 percent) (Figure 2-8). About one-third of the new adults and other adults eligibility groups had a behavioral health condition, similar to the overall rate among all adults younger than age 65 (35.5 percent).

FIGURE 2-8. Behavioral Health Prevalence among Non-Dually Eligible Adults Younger Than Age 65 in Medicaid by Eligibility Group, CY 2023



Notes: CY is calendar year. BH is behavioral health. This figure includes non-dually eligible, full-benefit Medicaid enrollees age 21 through 64 and is limited to eligibility groups only with the largest number of adult enrollees in CY 2023; as a result, the sum across eligibility groups will not equal the total. Youth formerly in foster care are individuals younger than age 26, not otherwise mandatorily eligible, who were in foster care and on Medicaid either when they turned age 18 or aged out of foster care. The new adult group includes enrollees who are eligible under Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

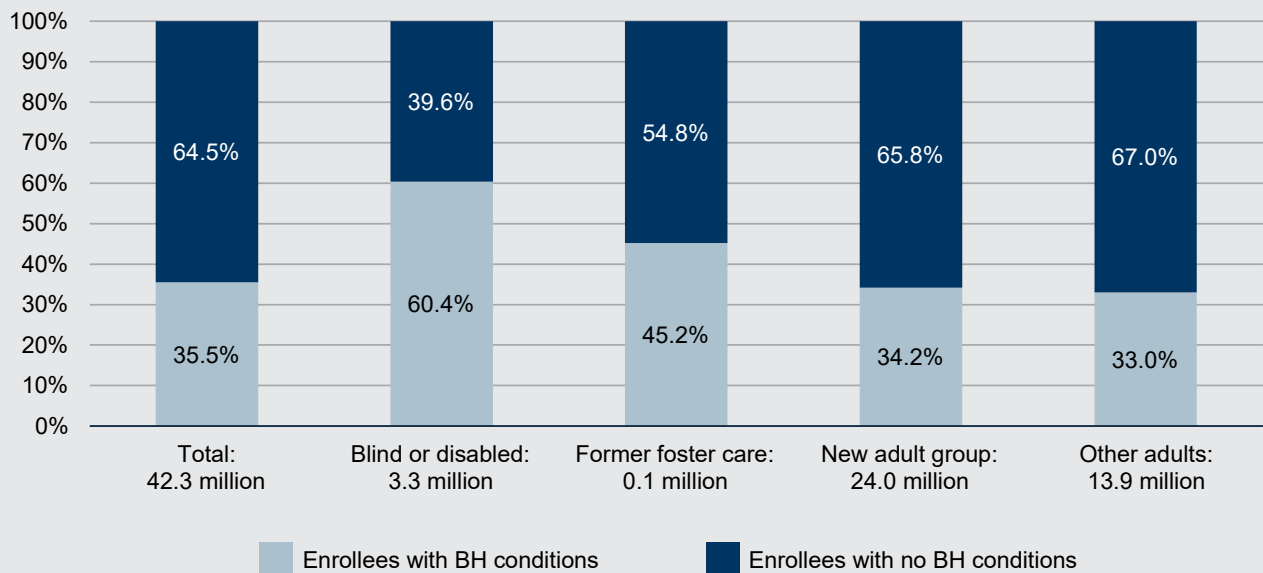
American Indian and Alaska Native, non-Hispanic, and white, non-Hispanic, enrollees had the highest prevalence of behavioral health conditions in 2023 (44.7 percent and 44.5 percent, respectively), while Asian and Pacific Islander, non-Hispanic, enrollees had the lowest prevalence (15.4 percent) (Figure 2-9). Hispanic and Black, non-Hispanic, enrollees had slightly lower rates of behavioral health conditions compared with the overall group of adult enrollees (28.1 percent and 33.7 percent, respectively, compared to 35.5 percent).

In 2023, a larger share of adult enrollees residing in rural areas had a behavioral health condition (44.4 percent), compared with enrollees residing in urban areas (33.8 percent) (Figure 2-10).

Spending patterns among adults younger than age 65

Behavioral health spending represented more than one-fourth of total service-related spending for adults age 21 through 64 with behavioral health conditions (Table 2-10). Percentages referenced in this section are derived from table data. Total behavioral health spending reflects services only and excludes spending on behavioral health drugs, while total service-related spending includes drug spending. Spending per enrollee on behavioral health services was highest for adults with co-occurring mental health and I/DD conditions (\$41,104) and lowest for those with mental health conditions (\$5,642).

FIGURE 2-9. Behavioral Health Prevalence among Non-Dually Eligible Adults Younger Than Age 65 in Medicaid by Race and Ethnicity, CY 2023



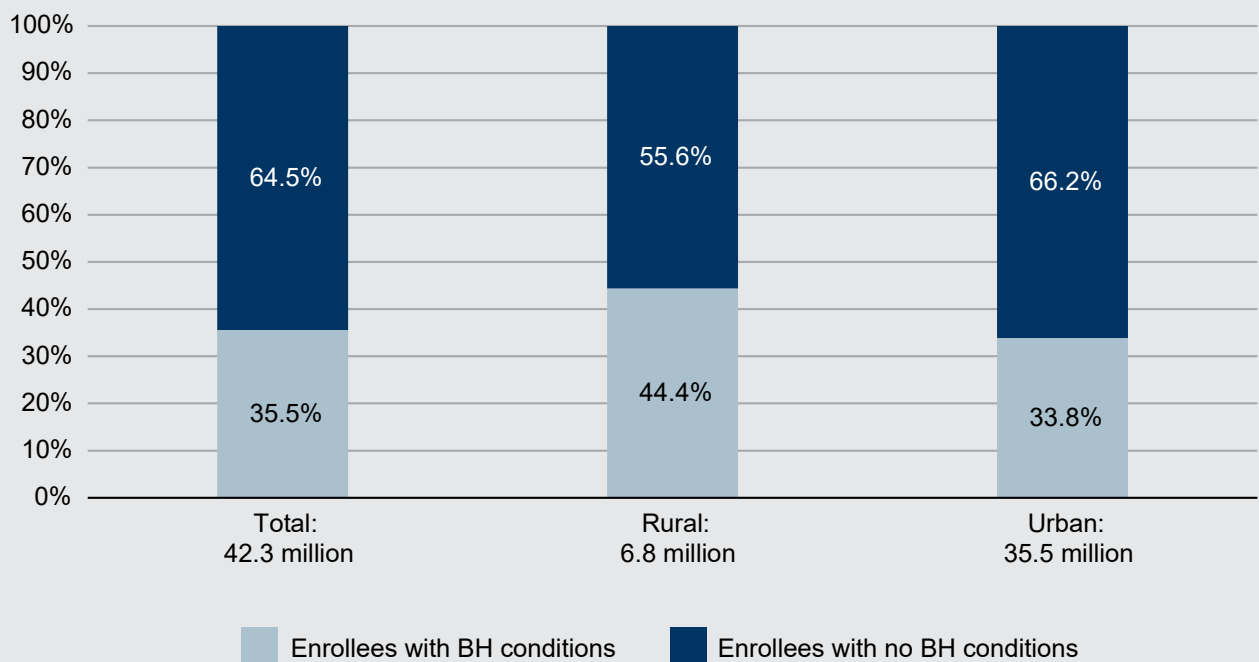
Notes: CY is calendar year. API is Asian and Pacific Islander. AIAN is American Indian and Alaska Native. BH is behavioral health. This figure includes non-dually eligible, full-benefit Medicaid enrollees age 21 through 64 in CY 2023 and excludes enrollees with missing or unknown race or ethnicity, who represent less than 3 percent of the population. The sum across racial and ethnic groups will not equal the total.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Among enrollees with mental health conditions, behavioral health spending on adults age 21 through 44 accounted for a larger share of total spending compared with adults age 45 through 64 (37.0 percent versus 20.1 percent, respectively) (Table 2-10). The same trend was observed for enrollees with an SUD (36.9 percent versus 19.1 percent) and enrollees with co-occurring mental health and SUD conditions (41.4 percent versus 23.3 percent). Behavioral health services accounted for the majority of spending on adults with I/DD conditions (61.3 percent) and co-occurring mental health and I/DD conditions (63.6 percent).

In general, per-enrollee spending for enrollees with behavioral health conditions was higher for adults age 45 through 64 (\$7,108) compared to adults age 21 through 44 (\$3,560), while per-enrollee spending on behavioral health services was generally more similar across the two age groups (Table 2-10). This pattern likely indicates that the difference in overall spending across the two age groups largely reflects differences in spending on non-behavioral health services.

FIGURE 2-10. Behavioral Health Prevalence among Non-Dually Eligible Adults Younger Than Age 65 in Medicaid by Geographic Location, CY 2023



Notes: CY is calendar year. BH is behavioral health. Urban or rural location is classified based on enrollee zip codes using the 2010 Rural-Urban Commuting Area code classification scheme from the U.S. Department of Agriculture. Refer to Appendix 2A for more information. This figure includes non-dually eligible, full-benefit Medicaid enrollees age 21 through 64 in CY 2023 and excludes enrollees with missing zip codes, who represent less than 0.5 percent of the population.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

TABLE 2-10. Overall and Behavioral Health–Related Spending among Non-Dually Eligible Adults Younger Than Age 65 in Medicaid with Behavioral Health or Intellectual or Developmental Disability Conditions by Age and Condition Category, CY 2023

Age groups	Total enrollees (millions)	Total spending (billions)	Total spending per enrollee	Total BH users (millions)	Total BH spending (billions)	Total BH spending per BH user
BH condition	15.0	\$197.0	\$13,094	10.4	\$53.2	\$5,120
21–44	10.2	104.2	10,170	7.0	36.4	5,191
45–64	4.8	92.7	19,343	3.4	16.7	4,972
MH condition	11.6	164.4	14,226	8.6	48.4	5,642
21–44	8.1	90.9	11,204	5.9	33.6	5,645
45–64	3.4	73.5	21,335	2.6	14.8	5,635
SUD condition	8.0	120.0	14,995	5.5	33.4	6,024
21–44	5.1	58.8	11,457	3.5	21.7	6,141
45–64	2.9	61.2	21,310	2.0	11.7	5,819
I/DD condition	0.6	34.6	57,764	0.5	21.2	39,794
21–44	0.5	28.9	55,354	0.5	17.7	38,161
45–64	0.1	5.7	74,123	0.1	3.5	50,804
MH and SUD conditions	4.5	87.5	19,357	3.7	28.6	7,662
21–44	3.0	45.4	15,181	2.5	18.8	7,659
45–64	1.5	42.0	27,545	1.3	9.8	7,667
MH and I/DD conditions	0.4	21.4	60,086	0.3	13.6	41,104
21–44	0.3	17.2	57,014	0.3	11.1	39,672
45–64	0.1	4.1	77,475	0.0	2.5	49,129

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. This table includes CY 2023 enrollment and spending for non-dually eligible, full-benefit Medicaid enrollees age 21 through 64. Spending includes federal and state funds. Total behavioral health spending on enrollees with a behavioral health diagnosis represents spending on services with a primary or secondary behavioral health diagnosis code and excludes spending on behavioral health drugs. The sum of enrollment or spending across age groups may not equal the totals due to rounding.

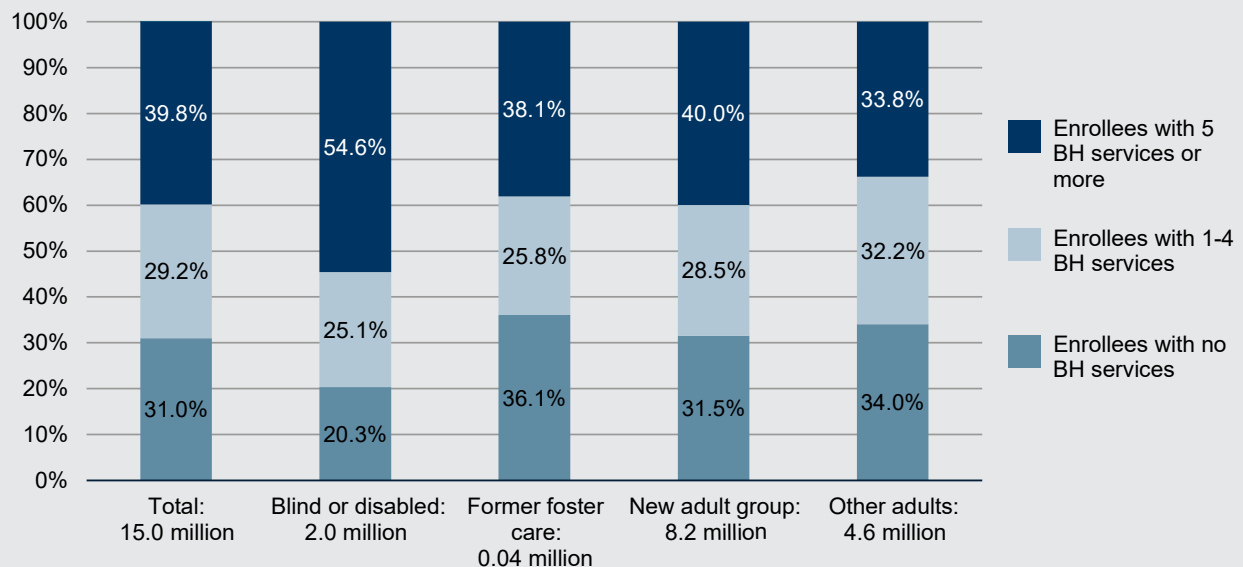
Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Behavioral health service use among adults younger than age 65

Among non-dually eligible adult enrollees younger than age 65 with behavioral health conditions in 2023, those in the blind or disabled eligibility group represented the highest share of enrollees who used at least one behavioral health service in the year (79.7 percent) (Figure 2-11). The remaining eligibility groups accounted for a similar share of enrollees who used at least one behavioral health service, ranging from 66.0 to 69.0 percent. Enrollees in the other adult eligibility group represented the lowest share of enrollees who used five or more services, with 33.8 percent, compared to enrollees in the blind or disabled eligibility group, who represented the highest share with 54.6 percent.

In 2023, 10.4 million non-dually eligible Medicaid enrollees age 21 through 64 with behavioral health conditions used behavioral health services (excluding prescription drugs), accounting for \$53.2 billion in behavioral health spending (Table 2-10). More than half of users in this age group received behavioral health services in non-hospital outpatient settings (59.4 percent), which accounted for just under 29 percent of their total behavioral health spending (Figure 2-12). Additional commonly used care settings among this population include telehealth (24.2 percent), FQHCs (16.0 percent), and emergency departments (15.8 percent). Although just over 2 percent of users in this age group received services in an SUD residential facility, these services accounted for a slightly larger share of spending (3.7 percent).

FIGURE 2-11. Behavioral Health Service Use among Non-Dually Eligible Adults Younger Than Age 65 in Medicaid with Behavioral Health Conditions by Eligibility Group, CY 2023



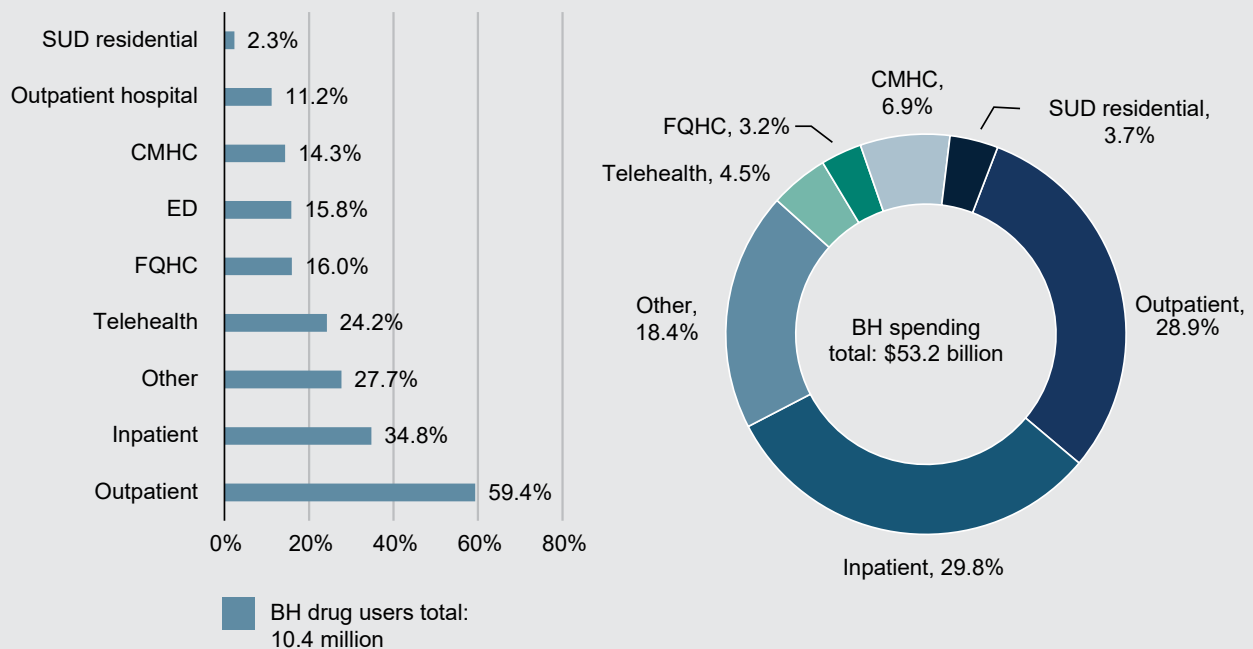
Notes: CY is calendar year. BH is behavioral health. This figure includes CY 2023 utilization for non-dually eligible, full-benefit Medicaid enrollees age 21 through 64 with behavioral health conditions. The number under each bar represents the number of enrollees with behavioral health conditions in CY 2023. Enrollees with no services include enrollees who met the criteria for a behavioral health condition based on service use information during the lookback period used for this analysis but did not have any behavioral health–related service use during CY 2023 (excluding prescription drugs).

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

In 2023, 10.6 million non-elderly adult enrollees with behavioral health conditions used behavioral health drugs and accounted for \$12.2 billion in spending (Figure 2-13). Among enrollees age 21 through 64 with behavioral health conditions who used behavioral health drugs, most enrollees (69.2 percent) used antidepressants. However, this drug group represented only 9.1 percent of behavioral drug spending for this age group. Another commonly used

drug group was anticonvulsants, which were used by 40.2 percent of enrollees. Similar to antidepressants, anticonvulsant drugs accounted for a much smaller share of behavioral health drug spending (7.2 percent) relative to the share of users. Conversely, less than one-quarter of enrollees in this age group used antipsychotic medications, though they accounted for almost half of spending (48.4 percent).

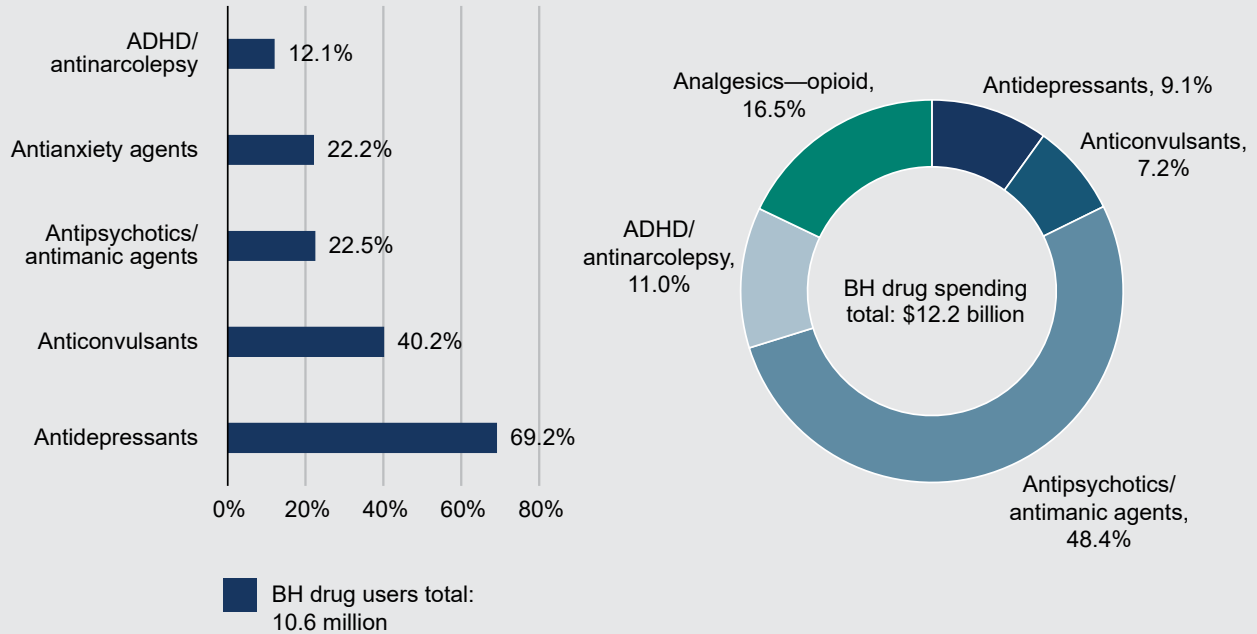
FIGURE 2-12. Total Behavioral Health Service Use and Spending among Non-Dually Eligible Adult Users Younger Than Age 65 in Medicaid with Behavioral Health Conditions by Care Setting, CY 2023



Notes: CY is calendar year. SUD is substance use disorder. CMHC is community mental health clinic. ED is emergency department. FQHC is federally qualified health center. BH is behavioral health. This figure includes CY 2023 behavioral health–related utilization and spending (excluding prescription drugs) for non-dually eligible, full-benefit Medicaid enrollees age 21 through 64 with behavioral health conditions. Spending includes federal and state funds. Outpatient includes services received in a clinic, office, or home setting. Because enrollees can receive services in multiple care settings, user percentages sum to more than 100. Behavioral health spending percentages across care settings will sum to 100. Spending for ED and outpatient hospital services are not shown in the doughnut chart; they represent less than 4 percent of total spending on behavioral health services.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

FIGURE 2-13. Behavioral Health Drug Use and Spending among Non-Dually Eligible Adult Users Younger Than Age 65 in Medicaid with Behavioral Health Conditions by Drug Group, CY 2023



Notes: CY is calendar year. ADHD is attention deficit hyperactivity disorder. BH is behavioral health. This figure includes CY 2023 utilization and spending for non-dually eligible, full-benefit Medicaid enrollees age 21 through 64 with behavioral health conditions. Because enrollees can use multiple behavioral health drugs, user percentages sum to more than 100. Spending includes federal and state funds. The percentages for spending on behavioral health drugs across all drug groups will sum to 100. Spending for antianxiety agents is not shown in the doughnut chart; they represented 2 percent of total spending on behavioral health drugs.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

Looking Ahead

This analysis provides a foundation for future work on behavioral health use and spending in Medicaid and CHIP. Based on our analysis, in 2023 more than 25 percent of Medicaid and CHIP enrollees had a behavioral health condition, and spending for these enrollees accounted for more than half of total service-related Medicaid spending. Given Medicaid’s role as a major source of coverage for behavioral health services and the large share of spending associated with enrollees with behavioral health conditions, the Commission will continue to examine this topic to better understand spending and access, particularly for vulnerable populations such as pregnant enrollees. Future work could include examining the relationship

between payment and access to behavioral health services, a topic identified by MACPAC’s access and payment roundtable (MACPAC 2025c). Building on the current focus on behavioral health care settings, future analyses could examine the relationship between payment and access by incorporating behavioral health provider types and payment rates. Analyzing these additional topics could provide insight into the extent to which payment rates and provider availability, including the emergence of unique provider types such as mobile crisis service providers, affect access to behavioral health services in the Medicaid program.

Endnotes

¹ In this instance, the inclusion of youth age 12 through 17 in the NSDUH analysis may have also contributed to the lower rate of MOUD use observed when compared to our analysis of T-MSIS data, which did not include youth.

² Data on the use of services and expenditures for Medicaid enrollees with diagnoses of behavioral health conditions came from the Medicaid Statistical Information System (MSIS) for calendar year 2011. Since then, states have transitioned from MSIS to T-MSIS, which led to the collection and availability of more administrative data, including managed care encounters.

³ SMI describes a diagnosable mental, behavioral, or emotional disorder (e.g., bipolar disorder and schizophrenia) experienced by someone older than age 18 that substantially interferes with their life and ability to function (SAMHSA 2024). Although "SMI" is not a diagnostic term, it is indicative of individuals who have a mental illness that substantially interferes with or limits their ability to perform one or more major life activities (e.g., eating, bathing, or dressing) or instrumental activities of daily living (e.g., maintaining a household or taking prescribed medications).

⁴ In 2018, the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act required behavioral health services in separate CHIP. That requirement was made permanent in the Consolidated Appropriations Act, 2024 (CAA 2024, P.L. 118-42) (Dwyer 2024).

⁵ The CAA 2024 formally defined and added certified community behavioral health clinic services to the list of optional services coverable by Medicaid. Certified community behavioral health clinics provide rapid response, individual assessment, and crisis resolution by trained mental health and SUD treatment professionals and paraprofessionals, deployed to the location of the person in crisis.

⁶ Though Medicaid coverage of prescription drugs is considered an optional benefit, all states and the District of Columbia have elected to provide this coverage.

⁷ Anticonvulsant medications are considered effective in the treatment of certain behavioral health conditions, such as bipolar depressive disorder (Baldessarini et al. 2018).

⁸ The SUPPORT Act required state Medicaid programs to cover FDA-approved MOUD and related counseling and behavioral therapies for five years beginning October

1, 2020 (MACPAC 2025a). The CAA 2024 extended and expanded some of the policies contained within the SUPPORT Act (Dwyer 2024). Specifically, the MOUD benefit mandate was extended permanently under the CAA 2024.

⁹ As of January 2026, the Centers for Medicare & Medicaid Services has approved Section 1115 waiver demonstrations for IMD payment exclusion for SUD treatment for 38 states and IMD payment exclusion for mental health treatment for enrollees with SMI or serious emotional disturbance for 17 states (KFF 2026).

¹⁰ In 2024, the eight states that offered behavioral health services through traditional FFS Medicaid were Alabama, Alaska, Connecticut, Maine, Montana, South Dakota, Vermont, and Wyoming (Kaye et al. 2025).

¹¹ Limited-benefit plans can include prepaid inpatient health plans and prepaid ambulatory health plans. Prepaid inpatient health plans or prepaid ambulatory health plans that solely offer behavioral health services are sometimes referred to as "behavioral health organizations."

¹² The mental health conditions identified for this analysis are attention deficit hyperactivity disorder, conduct disorders, suicide and self-harm, anxiety disorders, depressive and mood disorders, adjustment disorder, SMI, and other mental health disorders. The SUD conditions identified for this analysis are alcohol use disorders, tobacco use disorders, and drug use disorders (opioids, inhalants, stimulants, hallucinogens, cannabis, sedatives, hypnotics, anxiolytics, other, and unknown).

¹³ The Centers for Medicare & Medicaid Services published the T-MSIS SUD Data Book annually for data years 2017 through 2021. In August 2025, the Centers for Medicare & Medicaid Services released the inaugural T-MSIS Behavioral Health Data Book, which builds on the T-MSIS SUD Data Book. MACPAC developed its methodology for identifying behavioral health conditions in T-MSIS before the publication of the T-MSIS Behavioral Health Data Book and therefore relied on the methodology from the T-MSIS SUD Data Book.

¹⁴ Medicaid spending amounts reported in many MACPAC analyses and other federal budget documents frequently reflect the total amount of spending that has been matched by federal dollars. This amount represents payments states made directly to providers through FFS payments or to managed care plans through capitation payments (i.e., total Medicaid spending). However, state capitation payments to managed care plans are not necessarily indicative of the payments made by managed care plans to providers

for services received for a particular individual because the capitation payment reflects the average cost of an enrollee and also includes dollars to cover non-benefit costs (e.g., administrative costs).

¹⁵ The capitation rate paid to a managed care plan on a per member, per month basis generally reflects the projected cost of the average enrollee for a particular rate cell.

References

- Baldessarini, R., L. Tondo, and G.H. Vazquez. 2018. Pharmacological treatment of adult bipolar disorder. *Molecular Psychiatry* 24: 198–217. <https://doi.org/10.1038/s41380-018-0044-2>.
- Barth, S., S. Lewis, and T. Simmons. 2020. *Medicaid services for people with intellectual or developmental disabilities—evolution of addressing service needs and preferences*. Washington, DC: Health Management Associates. <https://www.macpac.gov/wp-content/uploads/2021/01/Medicaid-Services-for-People-with-Intellectual-or-Developmental-Disabilities-%E2%80%93Evolution-of-Addressing-Service-Needs-and-Preferences.pdf>.
- Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2026. Behavioral health services. Accessed February 17, 2026. Baltimore, MD: CMS. <https://www.medicaid.gov/medicaid/benefits/behavioral-health-services>.
- Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2025a. Open data: Medicaid and CHIP enrollees who received mental health or SUD services, January 27, 2025. Baltimore, MD: CMS. <https://data.medicaid.gov/dataset/8062e2f4-4c0a-41c9-8217-979468a80986>.
- Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2025b. Mandatory & optional Medicaid benefits. Baltimore, MD: CMS. <https://www.medicaid.gov/medicaid/benefits/mandatory-optional-medicaid-benefits>.
- Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2024a. Chronic Conditions Data Warehouse: Other chronic health, mental health, and potentially disabling conditions. Baltimore, MD: CMS. <https://www2.ccwdata.org/web/guest/condition-categories-other>.
- Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2024b. Chronic Conditions Data Warehouse: Chronic conditions. Baltimore, MD: CMS. <https://www2.ccwdata.org/web/guest/condition-categories-chronic>.
- Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2023. *Report to Congress: T-MSIS Substance User Disorder (SUD) Data Book—Treatment of SUD in Medicaid, 2021*. Baltimore, MD: CMS. <https://www.medicaid.gov/medicaid/data-systems/downloads/2021-sud-data-book.pdf>.
- Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2022. Center for Medicaid and CHIP Services informational bulletin regarding “Leveraging Medicaid, CHIP, and other federal programs in the delivery of behavioral health services for children and youth.” August 18, 2022. <https://www.medicaid.gov/federal-policy-guidance/downloads/bhccib08182022.pdf>.
- Dwyer, A. 2024. *Consolidated Appropriations Act, 2024: Medicaid and CHIP mental health and substance use disorder provisions explained*. Washington, DC: Center for Children and Families. <https://ccf.georgetown.edu/2024/05/20/consolidated-appropriations-act-2024-medicaid-and-chip-mental-health-and-substance-use-disorder-provisions-explained/>.
- Economic Research Service (ERS), U.S. Department of Agriculture. 2025. *Rural-Urban Community Area (RUCA) codes*. Washington, DC: ERS. <https://www.ers.usda.gov/data-products/rural-urban-commuting-area-codes>.
- Hula, L., M. Sanchez, E. Harrison, A. Mims, and M. Alaouf. 2023. *Identifying Medicaid and CHIP beneficiaries who could benefit from integrated physical and behavioral health care: Technical specifications*. Chicago, IL: Centers for Medicare & Medicaid Services. https://www.medicaid.gov/medicaid/data-and-systems/downloads/macbis/pbhi_techsspecs.pdf.
- Institute for Health Metrics and Evaluation (IHME). 2025. *United States health care spending by health condition and county 2010–2019*. Seattle, WA: IHME. <https://doi.org/10.6069/GW81-6R88>.
- Kaye, N., T. McCullough, and S. Wilkniss. 2025. *How states leverage Medicaid managed care to foster behavioral health integration*. Washington, DC: National Academy for State Health Policy. <https://nashp.org/how-states-leverage-medicaid-managed-care-to-foster-behavioral-health-integration/>.

KFF. 2026. Medicaid waiver tracker: Approved and pending Section 1115 waivers by state, January 14, 2026. Washington, DC: KFF. <https://www.kff.org/medicaid/issue-brief/medicaid-waiver-tracker-approved-and-pending-section-1115-waivers-by-state/>.

Medicaid and CHIP Payment and Access Commission (MACPAC). 2025a. Chapter 3: Access to medications for opioid use disorder in Medicaid. In *Report to Congress on Medicaid and CHIP*. June 2025. Washington, DC: MACPAC. https://www.macpac.gov/wp-content/uploads/2025/06/MACPAC_June-2025-Chapter-3.pdf.

Medicaid and CHIP Payment and Access Commission (MACPAC). 2025b. Chapter 2: Appropriate access to residential behavioral health treatment for children in Medicaid. In *Report to Congress on Medicaid and CHIP*. June 2025. Washington, DC: MACPAC. https://www.macpac.gov/wp-content/uploads/2025/06/MACPAC_June-2025-Chapter-2.pdf.

Medicaid and CHIP Payment and Access Commission (MACPAC). 2025c. *Evaluating the effects of Medicaid payment changes on access to physician services*. Washington, DC: MACPAC. <https://www.macpac.gov/wp-content/uploads/2025/01/Evaluating-the-Effects-of-Medicaid-Payment-Changes-on-Access-to-Physician-Services.pdf>.

Medicaid and CHIP Payment and Access Commission (MACPAC). 2024. *Access in brief: Adults with intellectual disabilities and developmental disabilities*. Washington, DC: MACPAC. <https://www.macpac.gov/wp-content/uploads/2024/02/Access-in-Brief-Adults-with-Intellectual-Disabilities-and-Developmental-Disabilities.pdf>.

Medicaid and CHIP Payment and Access Commission (MACPAC). 2020. Types of managed care arrangements. June 2020. Washington, DC: MACPAC. <https://www.macpac.gov/subtopic/types-of-managed-care-arrangements/>.

Medicaid and CHIP Payment and Access Commission (MACPAC). 2018. Chapter 4: Access to substance use disorder treatment in Medicaid. In *Report to Congress on Medicaid and CHIP*. June 2018. Washington, DC: MACPAC. <https://www.macpac.gov/wp-content/uploads/2018/06/Access-to-Substance-Use-Disorder-Treatment-in-Medicaid.pdf>.

Medicaid and CHIP Payment and Access Commission (MACPAC). 2015. Chapter 4: Behavioral health in the Medicaid program—people, use, and expenditures. In *Report to Congress on Medicaid and CHIP*. June 2015. Washington, DC: MACPAC. <https://www.macpac.gov/wp-content/uploads/2015/06/Behavioral-Health-in-the-Medicaid-Program%E2%80%94People-Use-and-Expenditures-1.pdf>.

National Institutes of Health (NIH), U.S. Department of Health and Human Services. 2021. About intellectual and developmental disabilities (IDDs). Bethesda, MD: NIH. <https://www.nichd.nih.gov/health/topics/idds/conditioninfo>.

Pouls, K.P.M., M.C.J. Koks-Leensen, M. Mastebroek, et al. 2022. Adults with intellectual disabilities and mental health disorders in primary care: A scoping review. *British Journal of General Practice* 72, no. 716: e168-e178. <https://doi.org/10.3399/BJGP.2021.0164>.

Saunders, H., R. Euhus, A. Burns, and R. Rudowitz. 2025. *5 key facts about Medicaid coverage for adults with mental illness*. Washington, DC: KFF. <https://www.kff.org/mental-health/issue-brief/5-key-facts-about-medicaid-coverage-for-adults-with-mental-illness/>.

Saunders, H., and R. Rudowitz. 2022. *Demographics and health insurance coverage of nonelderly adults with mental illness and substance use disorders in 2020*. Washington, DC: KFF. <https://www.kff.org/mental-health/demographics-and-health-insurance-coverage-of-nonelderly-adults-with-mental-illness-and-substance-use-disorders-in-2020/>.

Sinha, V., E. Rourke, M. Condon, and W. Brandel. 2024. *Recommendations for a standardized state methodology to measure clinical behavioral health spending*. New York, NY: The Milbank Memorial Fund. <https://www.milbank.org/publications/recommendations-for-a-standardized-state-methodology-to-measure-clinical-behavioral-health-spending/>.

Substance Abuse and Mental Health Services Administration (SAMHSA), U.S. Department of Health and Human Services. 2025. *Key substance use and mental health indicators in the United States: Results from the 2024 National Survey on Drug Use and Health*. Rockville, MD: SAMHSA. <https://www.samhsa.gov/data/sites/default/files/reports/rpt56287/2024-nsduh-annual-national-report.pdf>.

Substance Abuse and Mental Health Services Administration (SAMHSA), U.S. Department of Health and Human Services. 2024. *Serious mental illness and serious emotional disturbances*. Rockville, MD: SAMHSA. <https://www.samhsa.gov/mental-health/serious-mental-illness/about>.

U.S. Centers for Disease Control and Prevention (CDC), U.S. Department of Health and Human Services. 2025. *About children's mental health*. Atlanta, GA: CDC. <https://www.cdc.gov/children-mental-health/about/index.html>.

APPENDIX 2A: Methodology

MACPAC analyzed enrollment, claims, and managed care encounter data from Transformed Medicaid Statistical Information System (T-MSIS) for calendar year 2023. We also used data from calendar years 2021 through 2022 as a two-year lookback period for identifying enrollees with a behavioral health diagnosis. The study cohort includes full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program (M-CHIP) enrollees with at least one month of enrollment in calendar year 2023. The population excludes enrollees in separate CHIP and enrollees who receive a limited package of Medicaid benefits. This analysis includes data from all 50 states and the District of Columbia.

Identifying behavioral health and intellectual or developmental disability conditions

MACPAC’s approach for identifying enrollees with behavioral health (i.e., mental health and substance use disorder (SUD) conditions) and intellectual or developmental disability conditions is an adapted methodology from the Centers for Medicare & Medicaid Services’ Physical and Behavioral Health Integration algorithm, SUD Data Book, Chronic Conditions Data Warehouse, and the Milbank Memorial Fund’s Recommendations for a Standardized State Methodology to Measure Clinical Behavioral Health Spending. The Centers for Medicare & Medicaid Services’ Physical and Behavioral Health Integration algorithm is a claims-based methodology for identifying enrollees who would benefit from physical and behavioral health care (Hula et al. 2023). The Centers for Medicare & Medicaid Services’ SUD Data Book is an annual publication that uses T-MSIS data to provide information on the number of Medicaid enrollees with an SUD and the services they received (CMS 2023). The Chronic Conditions Data Warehouse algorithm created 30 chronic condition categories, which include behavioral health and intellectual or developmental disability conditions, that can be identified using claims data based on diagnosis codes, qualifying claim criteria, and lookback periods (CMS 2024a, CMS 2024b). Milbank’s methodology includes an extensive list of diagnosis codes for identifying behavioral health conditions, national drug codes for drugs used to treat behavioral health conditions, behavioral health service categories, and care settings (Sinha et al. 2024). For this analysis, MACPAC identified mental health, SUD,

and intellectual or developmental disability conditions using all diagnosis codes available on the claim and, where applicable, procedure codes from each of the four methodologies and applied the qualifying claim criteria and lookback period from the Chronic Conditions Data Warehouse. Each condition category was further stratified to more specific subcategories, including but not limited to SMI, anxiety disorders, alcohol use disorders, and autism spectrum disorder.

Identifying enrollee characteristics

After identifying enrollees with behavioral health and intellectual or developmental disability conditions, we identified enrollee characteristics of interest. Enrollee characteristics were identified as follows:

- **Age.** We used enrollees’ age as of December 31 of the calendar year or, if deceased, their date of death to classify them into seven age categories: 0 through 5 years old, 6 through 12 years old, 13 through 17 years old, 18 through 20 years old, 21 through 44 years old, 45 through 64 years old, and 65 years and older. We categorized enrollees with a missing date of birth into a “missing or unknown” group.
- **Medicaid eligibility group.** Using a combination of age, CHIP code, and Medicaid eligibility group code data elements, we classified enrollees into one of the following eligibility groups: aged, blind or disabled (0 through 20 years and 21 years and older), new adult group, other adults (non-VIII group), Medicaid children, Medicaid-expansion CHIP children, foster care youth, and missing or unknown. Enrollees in the foster care youth category were further stratified into current foster care and former foster care.
- **Dual eligibility status.** We determined whether an enrollee was dually eligible for both Medicare and Medicaid using the dual eligible code data element that shows the enrollee’s most recent status. We classified enrollees as full-benefit dual eligibility status or Medicaid only.
- **Sex.** We identified enrollee sex using the same two categories that T-MSIS uses: female, male, or missing or unknown.

- Race and ethnicity.** The data element for race and ethnicity is unusable or unreliable in many states. Therefore, we used the 2021 race and ethnicity imputation companion files for more complete enrollee race and ethnicity information for this analysis, which was the most recent version available at the time of our analysis. The race and ethnicity imputation file supplements state-reported data by estimating race and ethnicity based on enrollee information (first name, surname, self-reported race and ethnicity, and American Indian or Alaska Native certification); data from the T-MSIS analytic files geocoded address companion file for enrollees; and geographic, race and ethnicity, and surname data from the U.S. Census Bureau. Enrollee counts and expenditures stratified by race and ethnicity should be interpreted as approximations because the calculations use both self-reported and imputed probabilities of a person being classified as a given race and ethnicity. In addition, total counts and expenditures that are calculated by adding the values of the different race and ethnicity amounts may not be equivalent to the true totals because they are approximations.
- Geographic location.** We used the 2010 Rural-Urban Commuting Area code classification scheme from the U.S. Department of Agriculture to assign enrollees to an urban or rural residence category based on the 2010 Rural-Urban Commuting Area code associated with their home or mailing address zip code in T-MSIS (ERS 2025).

Identifying behavioral health services

For this analysis, MACPAC defined a behavioral health service as any service-related claim or encounter (i.e., excluding capitation or supplemental payment) that includes a primary or secondary behavioral health-related diagnosis code. We identified behavioral health service use among enrollees with behavioral health conditions. MACPAC adapted Milbank's methodology to classify behavioral health claims by the various care settings in which these services were delivered. Using several variables on claims, such as type of bill, revenue codes, procedure codes, and provider taxonomy codes, we classified claims into the following care settings: inpatient, emergency department, federally qualified health center, community mental

health center, outpatient (hospital, telehealth, and other), psychiatric residential treatment facility, SUD residential, other behavioral health residential, and other.

MACPAC identified behavioral health drug use and spending by defining behavioral health drug claims as any claim that included at least one national drug code from Milbank's list of national drug codes for behavioral health drugs. We then applied Wolters Kluwer's Medi-Span Generic Product Identifier to classify behavioral health drugs into broader categories.

Calculating spending

T-MSIS includes spending amounts on a claim at both the header and line levels. To calculate spending on drugs used to treat behavioral health conditions, we used the Medicaid paid amounts reported on the line; for all other spending, we used amounts reported on the header level. We included the following payment amounts in our analysis:

- Fee-for-service payments.** The amount paid by the Medicaid agency directly to the provider.
- Capitation payments.** The amount paid by the state Medicaid agency to its managed care organizations on a per member per month basis. Capitation payments are intended to cover the services the enrollees would need based on a risk-adjusted methodology for estimating their service use. These payments are also inclusive of administrative costs and any supplemental payments the state makes to the managed care organization, such as state-directed payments. As a result, capitation payments are often greater than the amount the managed care organization paid in encounters for covered services.
- Managed care payments to providers.** The amount paid by the managed care organization directly to the provider for covered services rendered to their enrollees, captured in encounter data.

Because this analysis focuses on enrollees with a behavioral health diagnosis and their use and spending on services, particularly behavioral health-related services, this chapter reports on service-related spending.

APPENDIX 2B: State-Level Data

TABLE 2B-1. Medicaid and Medicaid-Expansion State Children’s Health Insurance Program Enrollees with Behavioral Health Conditions by State, CY 2023

State	All enrollees (thousands)	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	I/DD	MH and I/DD
Total	97,582.9	27.6%	23.1%	10.5%	6.1%	5.6%	2.1%
Alabama	1,226.2	25.6	21.6	8.9	4.9	6.1	2.5
Alaska	289.5	26.1	19.2	13.7	6.8	4.4	1.8
Arizona	2,447.7	28.4	24.1	12.3	8.0	5.1	1.9
Arkansas	1,129.8	21.9	19.1	6.6	3.8	7.1	2.6
California	15,873.9	19.9	16.2	7.2	3.5	3.9	1.1
Colorado	1,802.9	29.4	24.1	12.3	7.0	4.8	1.9
Connecticut	1,156.6	33.5	28.8	13.3	8.6	4.5	1.9
Delaware	314.5	28.8	23.9	11.0	6.1	8.0	2.9
District of Columbia	311.8	26.0	23.0	8.4	5.4	3.7	1.1
Florida	5,361.2	19.8	17.1	5.7	3.0	6.4	2.3
Georgia	2,519.5	20.0	17.4	5.4	2.8	5.8	2.1
Hawaii	504.4	19.5	15.2	8.5	4.2	2.0	0.6
Idaho	465.8	31.9	27.3	12.1	7.4	7.9	3.5
Illinois	4,016.6	26.3	20.8	11.9	6.4	6.5	1.9
Indiana	2,175.6	30.2	25.7	10.6	6.1	4.9	1.8
Iowa	888.3	36.9	31.6	14.3	9.0	4.9	2.7
Kansas	511.3	35.3	32.1	9.7	6.4	5.0	2.7
Kentucky	1,773.8	39.5	32.4	17.6	10.6	6.1	2.7
Louisiana	2,023.6	35.3	28.3	15.4	8.4	5.3	1.9
Maine	413.9	43.9	37.5	18.6	12.1	7.6	4.3
Maryland	1,826.9	29.8	25.7	11.0	6.9	6.9	2.7
Massachusetts	2,097.7	37.1	32.0	15.0	9.9	5.9	2.6
Michigan	3,293.7	30.7	25.7	12.4	7.3	3.6	1.8
Minnesota	1,525.2	36.5	32.5	13.6	9.6	7.9	3.8
Mississippi	792.9	27.2	23.7	7.3	3.8	5.0	2.2
Missouri	1,636.6	31.0	26.1	12.6	7.6	5.9	2.6
Montana	330.2	39.2	32.5	17.4	10.7	5.4	2.5
Nebraska	446.7	31.7	27.5	11.7	7.5	3.6	1.9
Nevada	982.9	25.9	21.1	10.8	6.0	4.2	1.4
New Hampshire	278.6	37.5	32.2	14.1	8.8	7.9	3.6
New Jersey	2,309.2	26.3	21.0	11.5	6.2	5.3	2.1
New Mexico	931.5	29.8	24.4	12.5	7.2	6.4	2.0

TABLE 2B-1. (continued)

State	All enrollees (thousands)	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	I/DD	MH and I/DD
New York	8,540.8	23.0%	18.7%	9.4%	5.0%	5.2%	1.8%
North Carolina	2,557.0	29.2	24.8	10.3	5.9	8.0	3.1
North Dakota	151.9	36.1	30.7	15.0	9.6	7.9	3.8
Ohio	3,628.4	41.1	34.2	18.2	11.4	7.2	3.4
Oklahoma	1,480.7	29.5	24.9	10.6	5.9	4.7	1.9
Oregon	1,428.6	34.6	28.0	14.8	8.2	3.0	1.4
Pennsylvania	3,851.3	32.7	26.7	13.8	7.8	5.9	2.6
Rhode Island	407.6	32.9	29.4	10.0	6.6	6.2	2.6
South Carolina	1,403.6	25.3	21.9	7.1	3.7	7.5	2.4
South Dakota	170.5	29.3	25.5	9.7	5.9	6.6	3.2
Tennessee	1,899.3	27.2	23.1	10.2	6.1	5.3	2.1
Texas	6,122.9	16.8	15.3	3.8	2.2	7.5	2.4
Utah	561.5	30.3	26.3	11.1	7.1	6.6	2.4
Vermont	210.7	47.0	41.0	17.4	11.5	9.2	4.9
Virginia	2,124.2	27.4	23.4	10.1	6.0	5.2	2.1
Washington	2,334.5	29.6	24.1	12.2	6.7	3.3	1.3
West Virginia	671.3	39.1	31.9	16.6	9.4	3.4	1.8
Wisconsin	1,570.9	31.5	26.6	12.1	7.2	5.5	2.3
Wyoming	98.1	31.9	29.0	8.7	5.9	6.8	3.5

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. This table includes all full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees in CY 2023. Because behavioral health categories are not mutually exclusive, some enrollees appear in more than one group. The national total represents an unduplicated count of Medicaid enrollees across states and therefore may be less than the state sum of Medicaid enrollees.

¹ Counts of enrollees with an SUD or with co-occurring mental health and SUD conditions exclude children age 0 through 12.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

TABLE 2B-2. Total Service-Related Spending on Medicaid and Medicaid-Expansion State Children's Health Insurance Program Enrollees with Behavioral Health Conditions by State, CY 2023

State	All enrollees (thousands)	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	I/DD	MH and I/DD
Total	\$642.3	57.5%	50.8%	25.0%	18.2%	21.4%	11.3%
Alabama	6.1	58.2	52.1	23.7	17.5	20.1	11.6
Alaska	2.7	60.9	48.4	35.2	22.8	16.7	9.6
Arizona	15.1	64.2	57.8	36.1	0.8	19.6	10.5
Arkansas	5.1	55.5	51.3	17.2	12.9	32.7	14.8
California	95.2	51.2	43.9	22.6	15.2	18.6	7.7
Colorado	11.2	58.8	51.0	27.5	19.7	21.1	10.3
Connecticut	8.5	62.7	57.2	27.7	22.2	23.2	11.9
Delaware	2.7	56.0	48.4	24.0	16.4	26.6	13.3
District of Columbia	3.2	61.7	56.1	25.8	20.1	19.5	10.0
Florida	22.0	50.0	45.6	14.8	10.4	28.2	13.7
Georgia	11.4	48.0	41.5	18.2	11.7	19.9	9.2
Hawaii	2.1	45.7	36.4	23.7	14.5	13.3	4.8
Idaho	3.2	65.1	58.8	27.7	21.4	27.2	17.6
Illinois	22.7	59.3	50.5	29.5	20.7	17.5	8.5
Indiana	20.0	58.3	51.3	23.9	16.9	16.4	8.4
Iowa	6.1	66.4	60.5	26.8	20.9	24.5	16.3
Kansas	4.0	63.4	58.0	23.5	18.1	19.4	11.9
Kentucky	13.0	69.4	60.2	35.9	26.8	17.5	10.5
Louisiana	8.4	60.8	51.2	31.1	21.5	12.9	6.2
Maine	3.7	73.6	67.3	30.8	24.5	33.0	23.0
Maryland	15.7	62.1	56.2	27.2	21.3	24.7	13.7
Massachusetts	19.5	67.4	61.7	30.9	25.3	20.9	12.0
Michigan	16.9	63.9	56.6	29.4	22.1	17.5	11.1
Minnesota	16.9	69.0	64.5	29.9	25.4	28.9	18.3
Mississippi	4.4	55.1	48.6	18.2	11.7	17.7	8.3
Missouri	14.2	62.0	55.1	27.3	20.4	22.6	14.7
Montana	0.9	68.5	61.5	30.4	23.4	28.0	16.6
Nebraska	3.2	56.1	50.0	23.3	17.2	18.2	10.2
Nevada	4.1	62.7	54.5	33.1	24.9	15.3	8.3
New Hampshire	1.9	67.2	61.0	26.1	19.9	29.3	16.7
New Jersey	16.6	57.1	50.4	24.3	17.6	24.9	13.6
New Mexico	6.2	59.0	50.2	30.0	21.2	18.5	9.7

TABLE 2B-2. (continued)

State	All enrollees (thousands)	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	I/DD	MH and I/DD
New York	\$74.0	52.6%	46.2%	21.3%	14.9%	20.5%	11.3%
North Carolina	19.3	59.7	52.9	24.6	17.8	25.9	14.0
North Dakota	1.5	65.4	58.8	26.8	20.2	29.4	19.8
Ohio	22.9	70.3	63.0	32.7	25.5	24.2	15.6
Oklahoma	7.4	62.7	54.5	27.8	19.6	17.1	9.8
Oregon	7.6	65.9	55.0	37.3	26.4	5.2	3.2
Pennsylvania	20.5	54.9	47.9	22.6	15.6	29.9	16.3
Rhode Island	2.8	59.2	55.1	19.7	15.6	22.7	12.3
South Carolina	6.5	48.2	41.3	18.8	11.9	24.2	9.6
South Dakota	1.2	61.8	55.2	23.6	17.0	25.7	16.9
Tennessee	10.0	59.2	53.5	23.0	17.3	23.5	13.2
Texas	33.9	40.1	36.6	12.8	9.3	26.5	10.2
Utah	2.1	65.4	58.8	31.6	24.9	22.4	12.5
Vermont	1.6	69.0	63.5	25.0	19.5	31.8	19.5
Virginia	15.8	59.1	52.3	25.0	18.1	22.7	11.8
Washington	14.3	58.1	49.9	28.4	20.2	13.8	7.9
West Virginia	4.6	68.3	58.8	31.7	22.2	14.6	9.6
Wisconsin	9.4	59.2	52.0	25.5	18.3	17.5	9.6
Wyoming	0.5	60.6	56.0	19.6	15.0	32.6	20.5

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. This table includes CY 2023 spending for all full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees. Because behavioral health categories are not mutually exclusive, some enrollees appear in more than one group. Spending includes federal and state funds.

¹ Spending amounts on enrollees diagnosed with an SUD or co-occurring mental health and SUD conditions exclude children age 0 through 12.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.

TABLE 2B-3. Per-Enrollee Spending on Medicaid and Medicaid-Expansion State Children’s Health Insurance Program Enrollees with Behavioral Health Conditions by State, CY 2023

State	All enrollees	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	I/DD	MH and I/DD
Total	\$642.3	57.5%	50.8%	25.0%	18.2%	21.4%	11.3%
Alabama	6.1	58.2	52.1	23.7	17.5	20.1	11.6
Alaska	2.7	60.9	48.4	35.2	22.8	16.7	9.6
Arizona	15.1	64.2	57.8	36.1	0.8	19.6	10.5
Arkansas	5.1	55.5	51.3	17.2	12.9	32.7	14.8
California	95.2	51.2	43.9	22.6	15.2	18.6	7.7
Colorado	11.2	58.8	51.0	27.5	19.7	21.1	10.3
Connecticut	8.5	62.7	57.2	27.7	22.2	23.2	11.9
Delaware	2.7	56.0	48.4	24.0	16.4	26.6	13.3
District of Columbia	3.2	61.7	56.1	25.8	20.1	19.5	10.0
Florida	22.0	50.0	45.6	14.8	10.4	28.2	13.7
Georgia	11.4	48.0	41.5	18.2	11.7	19.9	9.2
Hawaii	2.1	45.7	36.4	23.7	14.5	13.3	4.8
Idaho	3.2	65.1	58.8	27.7	21.4	27.2	17.6
Illinois	22.7	59.3	50.5	29.5	20.7	17.5	8.5
Indiana	20.0	58.3	51.3	23.9	16.9	16.4	8.4
Iowa	6.1	66.4	60.5	26.8	20.9	24.5	16.3
Kansas	4.0	63.4	58.0	23.5	18.1	19.4	11.9
Kentucky	13.0	69.4	60.2	35.9	26.8	17.5	10.5
Louisiana	8.4	60.8	51.2	31.1	21.5	12.9	6.2
Maine	3.7	73.6	67.3	30.8	24.5	33.0	23.0
Maryland	15.7	62.1	56.2	27.2	21.3	24.7	13.7
Massachusetts	19.5	67.4	61.7	30.9	25.3	20.9	12.0
Michigan	16.9	63.9	56.6	29.4	22.1	17.5	11.1
Minnesota	16.9	69.0	64.5	29.9	25.4	28.9	18.3
Mississippi	4.4	55.1	48.6	18.2	11.7	17.7	8.3
Missouri	14.2	62.0	55.1	27.3	20.4	22.6	14.7
Montana	0.9	68.5	61.5	30.4	23.4	28.0	16.6
Nebraska	3.2	56.1	50.0	23.3	17.2	18.2	10.2
Nevada	4.1	62.7	54.5	33.1	24.9	15.3	8.3
New Hampshire	1.9	67.2	61.0	26.1	19.9	29.3	16.7
New Jersey	16.6	57.1	50.4	24.3	17.6	24.9	13.6
New Mexico	6.2	59.0	50.2	30.0	21.2	18.5	9.7

TABLE 2B-3. (continued)

State	All enrollees	Any BH	Any MH	Any SUD ¹	MH and SUD ¹	I/DD	MH and I/DD
New York	\$74.0	52.6%	46.2%	21.3%	14.9%	20.5%	11.3%
North Carolina	19.3	59.7	52.9	24.6	17.8	25.9	14.0
North Dakota	1.5	65.4	58.8	26.8	20.2	29.4	19.8
Ohio	22.9	70.3	63.0	32.7	25.5	24.2	15.6
Oklahoma	7.4	62.7	54.5	27.8	19.6	17.1	9.8
Oregon	7.6	65.9	55.0	37.3	26.4	5.2	3.2
Pennsylvania	20.5	54.9	47.9	22.6	15.6	29.9	16.3
Rhode Island	2.8	59.2	55.1	19.7	15.6	22.7	12.3
South Carolina	6.5	48.2	41.3	18.8	11.9	24.2	9.6
South Dakota	1.2	61.8	55.2	23.6	17.0	25.7	16.9
Tennessee	10.0	59.2	53.5	23.0	17.3	23.5	13.2
Texas	33.9	40.1	36.6	12.8	9.3	26.5	10.2
Utah	2.1	65.4	58.8	31.6	24.9	22.4	12.5
Vermont	1.6	69.0	63.5	25.0	19.5	31.8	19.5
Virginia	15.8	59.1	52.3	25.0	18.1	22.7	11.8
Washington	14.3	58.1	49.9	28.4	20.2	13.8	7.9
West Virginia	4.6	68.3	58.8	31.7	22.2	14.6	9.6
Wisconsin	9.4	59.2	52.0	25.5	18.3	17.5	9.6
Wyoming	0.5	60.6	56.0	19.6	15.0	32.6	20.5

Notes: CY is calendar year. BH is behavioral health. MH is mental health. SUD is substance use disorder. I/DD is intellectual or developmental disabilities. The national total represents an unduplicated count of Medicaid enrollees across states and therefore may be less than the state sum of Medicaid enrollees. This table includes CY 2023 spending for all full-benefit Medicaid and Medicaid-expansion State Children’s Health Insurance Program enrollees. Because behavioral health categories are not mutually exclusive, some enrollees appear in more than one group. Spending includes federal and state funds.

¹ Spending amounts on enrollees diagnosed with an SUD or co-occurring mental health and SUD conditions exclude children age 0 to 12.

Source: MACPAC, 2025, analysis of 2021–2023 Transformed Medicaid Statistical Information System (T-MSIS) data.