

Funding Sources For Treatment



Finding the Right Funding

Health insurance, government programs, and state and local resources can help pay for treatment, and clients should not automatically assume that they or their loved ones are not eligible for assistance. Sliding-scale fees, payment assistance programs and scholarships are widely available. Assistance often is based on the income of the person receiving treatment.



SOURCE 1: Private Health Insurance

Your client should always begin with their existing health insurance. Many people do not realize that treatment for substance use disorder (SUD) and mental illness is covered, similar to other health conditions. Health insurance may fully cover many treatment services or may require only a small copay.

To understand mental health and substance use disorder insurance coverage, individuals should check the certificate of coverage document provided by their insurer; contact their human resources department for employer-sponsored plans; or call the insurance company or agent directly, using the information provided on their insurance card. To assess direct out-of-pocket costs, individuals should factor in expenses related to copays, deductibles and co-insurance costs (i.e., the percentage or portion of the cost for which the policyholder is responsible). As with other healthcare expenditures, identifying in-network options available under the plan prior to treatment will help reduce costs. The stigma of mental health and SUD treatment may prevent someone from using their private health insurance for fear an employer may be informed. Federal laws prohibit healthcare providers from disclosing any medical records without explicit consent.

Did you know?

- Insurers must treat mental health and substance use disorder benefits generally in the same manner as other health benefits.
- Financial limitations such as copays, deductibles, and coinsurance for mental health and substance use disorder benefits cannot be more restrictive than for other health benefits.
- Treatment limitations — such as number of visits, geographic location or facility type — cannot be more restrictive than for other health benefits.

In some cases, the person seeking treatment may not have existing insurance and may not be eligible for coverage under the client's health insurance policy. In those circumstances, it may be helpful for the client to help the family member or loved one to obtain health insurance.

If the person seeking treatment is employed by a company offering insurance, the person should be encouraged to enroll for coverage at the next open enrollment. If workplace coverage is not available, the person may be able to obtain health insurance at a low cost through the Healthcare Marketplace established by the Affordable Healthcare Act of 2010. Policies available through that program can be found at <https://www.healthcare.gov/>. Preexisting mental and behavioral health conditions are specifically covered under these policies and spending limits are not allowed.



SOURCE 2: Government Health Insurance/National Programs

When traditional insurance is not an option, the person seeking treatment may be eligible for health care insurance that is subsidized by the government. The two main government health insurance programs are Medicare and Medicaid. There are many drug and alcohol rehabilitation centers that accept both. Medicare is a federal health insurance for anyone age 65 and older, and some people under 65 with certain disabilities or conditions. Medicaid is an insurance plan funded by the federal and state government that provides free and low-cost healthcare coverage for individuals who meet income and other requirements.

Behavioral health benefits with Medicare and Medicaid may consist of these services:

- Assertive community treatment for adults.
- Assessment.
- Community psychiatric supportive treatment (CPST).
- Comprehensive addiction treatment services.
- Crisis intervention.
- Day treatment.
- Family counseling.
- Intensive home-based treatment for youth.
- Primary medical care.

Addiction treatment services, more specifically, may include:

- Alcohol and drug screening through analysis/urinalysis.
- Ambulatory (outpatient) detoxification.
- Case management.
- Clinical assessments.
- Individual and group counseling.
- Intervention services.
- Medication-assisted treatment.

Medicaid members receive services through a Medicaid managed care organization (MCO). MCOs may offer services in addition to the traditional Medicaid benefits, and some MCOs may have slightly different coverage rules. Members must consult with the MCO to understand the full extent of coverage, just as they would with private health insurance plans.

All insurance policies — whether through the workplace, Healthcare Marketplace, Medicare or Medicaid — require applicants to provide truthful and accurate information. Clients should be advised to fully comply with all eligibility and disclosure requirements. Insurance fraud carries serious civil and criminal sanctions. Please note that both Medicare and Medicaid have strict eligibility criteria and not all individuals will qualify.

Medicaid and Children's Health Insurance Program (CHIP) cover some mental health, drug and alcohol use treatment, but how much they will pay and the type of services they cover will depend on the state you live in.

Veterans, even if they aren't part of VA Health Care, can get assistance. Learn more about VA coverage for substance use and mental health treatment at [va.gov](https://www.va.gov).



SOURCE 3: Free and Reduced Cost Treatment

Where insurance and financing options are unavailable or insufficient, the client could seek assistance from their state's behavioral health agency who may have funding available based on grants awarded to that state.

There are also many nonprofit and faith-based programs, typically referred to as community partners, that provide a wide range of preventive and treatment services for clients dealing with substance use disorder. Refer to the Resource Sheet for contact information of national organizations, many of which have regional and/or local offices.



SOURCE 4: Personal Financing

Insurance is always the first and best bet for securing quality treatment for a client or their loved one, but payment assistance is commonly available when insurance is not an option. Treatment programs typically offer sliding-scale fees or payment plans, based on the income of the person seeking treatment. Scholarships are also available to cover treatment costs.

Clients who wish to tap into retirement savings and investment portfolios should be guided on the best and most cost-effective way to withdraw from or borrow against their funds to reduce adverse penalties. Without guidance, many families might finance treatment through high-interest credit cards, burdening them with immense debt.

Once you are educated on all the available resources, you will be in a better position to educate and advise your clients on the best, most cost-effective way to get the treatment that your client or your client's loved one may need.

If you or someone you know is struggling or in crisis, help is available. Call or text 988 or chat at 988lifeline.org. To learn how to get support for mental health, drug or alcohol issues, visit [FindSupport.gov](https://findsupport.gov). If you are ready to locate a treatment facility or provider, you can go directly to [FindTreatment.gov](https://findtreatment.gov) or call 800-662-HELP (4357). (Source: SAMHSA)

**Scan the code
to take the course.**

