Massachusetts
Primary Care and
Behavioral Health
Spending:
2022 and 2023

April 2025



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SECTION 1:

Executive Summary

Background

Primary care and behavioral health encompass an array of services that can meaningfully shape patient outcomes, lead to lower costs in health care, and provide more equitable and timely care to Massachusetts residents.

To provide insight into system-wide investments in primary care and behavioral health services, CHIA collects primary care and behavioral health spending data from health plans.¹

This publication focuses on spending on primary care and behavioral health services for members enrolled in private commercial, MassHealth, and Medicare Advantage plans for calendar years (CY) 2022 and 2023. The time period of this report reflects a series of policy changes aimed at improving access and the affordability of care that have impacted the Commonwealth's primary care and behavioral health landscape.

In 2022, Massachusetts enacted the Mental Health ABC Act: Addressing Barriers to Care, which sought to expand access to behavioral health care services and support the behavioral health workforce. This legislation charged CHIA with monitoring "costs, cost trends, price, quality, utilization, and patient outcomes related to behavioral health service subcategories...including mental health, substance use disorder, outpatient, inpatient, services for children, services for adults, and provider type."²

Additionally, over the past 4 years, the Commonwealth has implemented policy changes to address these ongoing challenges—including the launch of the Roadmap for Behavioral Health Reform,³ which aims to improve access to behavioral health services and expand the network of community behavioral health centers (CBHCs),⁴ and the implementation of a new MassHealth payment model in April 2023 that pays a fixed per member, per month rate to

primary care practitioners participating in ACOs to deliver a range of services.⁵

Overview

This report presents summary market totals and payer- and provider-level metrics on primary care and behavioral health (including spending on mental health [MH] and substance use disorders [SUD]) for commercial, MassHealth, and Medicare Advantage insurance categories for CY 2022 and CY 2023. CHIA collects spending and diagnosis prevalence for MH and SUD services separately; however, combined spending on these two service categories represents total behavioral health expenditure figures referenced in this report. Additional analyses in this report include primary care (PC) and behavioral health (BH) spending metrics by age group, payer, and managing physician group. For more information on behavioral health spending, see CHIA's Annual Report on the Performance of the Massachusetts Health Care System.

Accompanying this report is a **databook** with tables for the charts shown here and a **dataset** with specific payer- and provider-level primary care and behavioral health spending information for CY 2022 and CY 2023. CHIA also publishes a Primary Care Dashboard and a Behavioral Health Dashboard that include statewide

and payer- and provider-specific data points to monitor the state of primary care and behavioral health in the Commonwealth. For more information, see CHIA's Primary Care Dashboard and Behavioral Health Dashboard.

Market-Level Findings

Spending trends on primary care and behavioral health services varied across insurance categories between CY 2022 and CY 2023. In 2023, private commercial plans spent 14.5 percent (\$4.0 billion) of total commercial spending on primary care and behavioral health services. The proportion spent on primary care decreased 0.2 percentage point in 2023 compared with 2022, representing 6.7 percent (\$1.8 billion) of total spending. Behavioral health spending as a percentage of total spending in 2023 increased slightly (7.8 percent of total commercial spending), and at the same time the percentage of members with a behavioral health diagnosis increased 1.0 percentage point to 23.0 percent.

The proportion of spending on primary care and behavioral health services for MassHealth plans increased from 27.0 percent in 2022 to 29.9 percent in 2023.

MassHealth plans spent 7.5 percent (\$832.5 million) on primary care services in 2023, an increase from 5.3 percent (\$524.1 million) in 2022, reflecting the launch

of MassHealth's Primary Care Sub-Capitation Program. MassHealth behavioral health spending, including MH and SUD services, represented 22.4 percent of total spending in 2023 (15.6 percent MH, 6.8 percent SUD), a 0.7 percentage point increase from 2022. These behavioral health trends were due in part to a series of programmatic changes such as the implementation of CBHCs, the shifting of Primary Care ACO-B members to Partnership ACO-As, and the initiation of MassHealth's redetermination process,⁶ which disenrolled ineligible individuals, resulting in the remaining case load having higher patient acuity. At the same time, the percentage of MassHealth members with a behavioral health diagnosis decreased 1.2 percentage points to 29.0 percent.

In 2023, Medicare Advantage plans spent 6.4 percent (\$332.2 million) of total spending on primary care and behavioral health services, a decrease of 0.2 percentage point from 2022. Medicare Advantage spending on primary care and SUD services (4.2 percent and 0.3 percent, respectively) as a percentage of total spending remained stable from 2022 to 2023; however, MH spending as a proportion of total spending decreased 0.3 percentage point to 1.9 percent. The percentage of Medicare Advantage members with a mental health diagnosis increased 0.9 percentage point to 14.4 percent

while the percentage of members with a SUD diagnosis increased 0.2 percentage point to 2.4 percent in 2023.

Primary Care

Across commercial and Medicare Advantage insurance categories, office visits represented the largest share of primary care spending in 2023, making up 55.3 percent of commercial primary care spending and 64.6 percent of Medicare Advantage primary care spending. Primary care office visits reflect payments for services such as professional evaluation and management services in an office or outpatient setting delivered by a primary care provider.

Primary care-specific non-claims payments, including capitation, represented 61.3 percent of MassHealth spending in 2023, an increase of 51.8 percentage points from 2022, making it the largest category of MassHealth primary care spending. This reflects the transition from feefor-service payments to the Primary Care Sub-Capitation Program, which pays participating primary care practices a fixed per member per month (PMPM) rate for a set of primary care services.

Behavioral Health

Behavioral health reflects services for MH and SUD that are delivered in a variety of care settings such as

inpatient hospitals, residential treatment centers, intensive outpatient programs, and outpatient offices. MH and SUD spending were examined across all insurance and service categories by payers throughout a 2-year time period.

Outpatient services delivered by a behavioral or other specialist provider represented the largest category of MH spending for commercial and MassHealth lines of business (50.6 percent and 51.9 percent, respectively). Outpatient MH services provided by a primary care provider accounted for 14.4 percent of commercial

spending and 5.2 percent of MassHealth spending in 2023. Of total MH spending in 2023, prescription drugs represented the largest portion of Medicare Advantage MH spending (46.3 percent). Of total SUD spending in 2023, SUD inpatient services accounted for the largest category of commercial and Medicare Advantage spending at 41.8 percent and 37.9 percent, respectively. SUD outpatient services offered by a behavioral health provider or other specialist accounted for the largest portion of MassHealth SUD spending (44.3 percent), followed by SUD inpatient services (28.1 percent).

SECTION 2:

Data Sources and Methodology

CHIA collected CY 2022 and CY 2023 primary care and behavioral health (PCBH) expenditure and membership data at the managing physician group level from 17 commercially administered health plans with private commercial, Medicaid MCO/ACO-A, and Medicare Advantage lines of business. In addition, MassHealth submitted CY 2022 and CY 2023 primary care and behavioral health data with Fee-For-Service (FFS), Managed Care Organization (MCO), Partnership ACO (ACO-A), Primary Care ACO (ACO-B), and Primary Care Clinician (PCC) lines of business. All payers submitted CY 2022 and CY 2023 PCBH data, and no payers have been excluded from this iteration of the PCBH spending report. Data for total medical spending reflects payer paid and member cost-sharing but does not include outof-pocket payments for goods and services not covered by insurance, including over-the-counter medications

and denied claims. Expenditure data only includes information for PCBH services covered by members' health insurance plans and does not capture care that was privately paid for by the patient outside of any insurance plan.

MassHealth data includes programs administered by MassHealth directly, including ACO-Bs, and the PCC plan, and those administered by commercial health plans such as ACO-As and MCOs. MassHealth members with FFS coverage (such as FFS dual eligibility, FFS with third-party liability, FFS limited and supplemental payments to providers) are not included in this analysis. To avoid double-counting reported membership between private commercial payers and MassHealth, CHIA implemented a methodology that excludes MassHealth's reported MCO and ACO-A membership from total MassHealth reported

membership. MassHealth expenditures attributed to ACO-A and MCO members reflect wrap services paid as claims by MassHealth only, while ACO-A and MCO payers report separately. Unlike commercially reported data, facility claims are included in the primary care definition for MassHealth reported data driven by the following factors:

- 1. MassHealth's 2023 implementation of a Primary Care Sub-Capitation Program provides a fixed prospective PMPM payment to practices for primary care services that replace FFS payments. These payments are made to hospital-based primary care practices where facility fees are paid for these primary care services.
- **2.** MassHealth pays primary care facility claims to hospital-based primary care practices.

The totals reflected in this report may not tie to those presented in the Annual Report on the Performance of the Massachusetts Health Care System due to differences in claims run-out from data pulled at different times and payer exclusions.

MH and SUD spending are defined in CHIA's PCBH data specifications by identifying medical claims with a principal MH or SUD diagnosis (ICD10) and further classifying services based on procedure codes, place of service

(POS) codes, or revenue codes.⁸ Medical claims spending that did not meet the logic to be allocated to the MH or SUD service types and claims without a principal MH or SUD diagnosis were then allocated sequentially through the primary care-specific service categories.

Primary care spending was defined using a list of procedure codes delivered by specific provider types deemed primary care. Any medical claims spending that did not fall into the MH, SUD, or primary care service types was then allocated to "all other services." Pharmacy claims were allocated based on NDC codes for MH prescription drugs, SUD prescription drugs, and all other prescription drugs.

Data submitters allocated non-claims-based payments into 5 categories: incentive payments, capitation, risk settlements, care management, and "other." Payers identified non-claims payments by service type; if payments could not be defined as specific to behavioral health or primary care, they were reported under "all other services." In this report, non-claims spending does not include payments made from government entities. Non-claims payments included in this report reflect payments made to health care providers pursuant to payer-provider contracts.

In accordance with the data specifications, payers used a hierarchical model to allocate claims spending into mutually exclusive spending categories under service types of MH, SUD, primary care, and all other services as outlined in Table A.

Table A. Service Category Classification by Service Type

Mental Health (MH)

- MH Inpatient
- MH Emergency
 Department: Observation
- MH Outpatient: PC Provider
- MH Outpatient: Non-PC Provider
- MH Prescription Drugs
- MH Non-Claims

Substance Use Disorders (SUD)

- SUD Inpatient
- SUD Emergency Department: Observation
- SUD Outpatient: PC Provider
- SUD Outpatient: Non-PC Provider
- SUD Prescription Drugs
- SUD Non-Claims

Primary Care (PC)

- PC Office Visits
- PC Home/Nursing Facility Visits
- PC Behavioral Health Screening
- PC Preventive Visits
- PC Obstetric Visits
- PC Other Primary Care Visits
- PC Immunizations and Injections
- PC Non-Claims

All Other Services

- Other Medical
- Other Prescription Drugs
- Other Non-Claims

For additional details on diagnoses and code lists for services classified as primary care, MH, and SUD, see the Primary Care and Behavioral Health Expenditures data specifications.⁹

SECTION 3:

Market Overview

This section includes primary care and behavioral health (both MH and SUD) spending for Massachusetts residents at the market level, examining how expenses for these services vary by insurance category and over time from CY 2022 to CY 2023. This report includes data reflecting behavioral health diagnosis prevalence, PCBH spending by age group, and the distribution of PCBH spending by service category. Data included in this section reflects multiple insurance categories: members with private commercial insurance; MassHealth members enrolled in Medicaid MCO/ACO-A plans reported by commercially administered plans; MassHealth members enrolled in

ACO-B and PCC plans; and Medicare beneficiaries enrolled in Medicare Advantage plans.

Analysis includes data from all payers that submitted CY 2022 and CY 2023 data representing nearly 100 percent of the private commercial market, 93.4 percent of the MassHealth market, and 30.3 percent of the Medicare Advantage market. Due to payer exclusions in prior reports, data may not tie to previously published data points. Expenditure totals do not reflect aggregate statewide spending, and findings should not be extrapolated for that purpose.

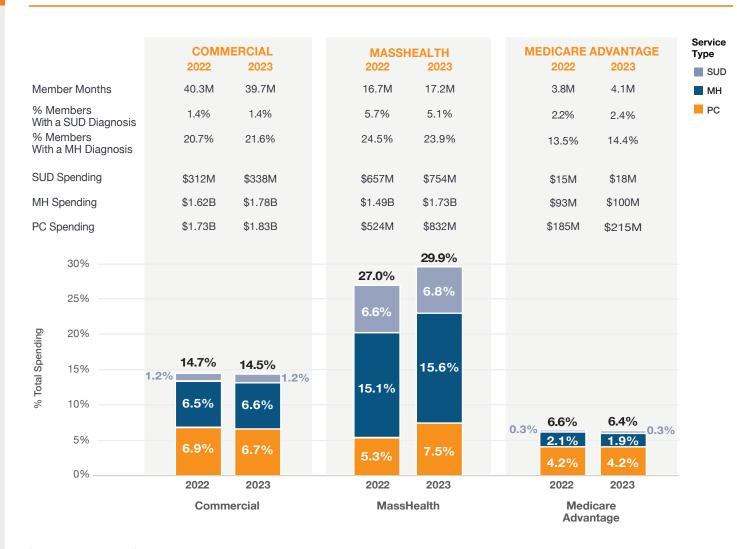
Commercial health plan spending on PCBH services represented 14.5% of total commercial spending in 2023, a slight decline from 14.7% in 2022, though spending increased from \$3.67B to \$3.95B. Primary care represented 6.7% (\$1.83B) of commercial spending in 2023, followed by mental health at 6.6% (\$1.78B) and SUD at 1.2% (\$338M). In 2023, the percentage of private commercially insured members with a primary behavioral health diagnosis (MH and SUD combined) increased 1.0 percentage point to 23.0%; spending on MH and SUD services increased 9.6% to \$2.12B over this same period.

In April 2023, MassHealth initiated its redetermination process, and at the same time reprocured ACO-A and ACO-B contracts. PCBH spending accounted for 29.9% (\$3.31B) of total MassHealth spending in 2023, an increase from 27.0% (\$2.68B) in 2022. MassHealth had the highest percentage of members with a behavioral health diagnosis (29.0%) and the highest proportion of behavioral health spending (22.4%) in 2023. Primary care spending represented 7.5% (\$832M) of total MassHealth spending in 2023, a 2.2 percentage point increase from 2022.

In 2023, Medicare Advantage plans attributed 6.4% (\$332M) of total spending to PCBH services, with 4.2% for primary care, 1.9% for MH, and 0.3% for SUD. In 2023, 16.8% of Medicare Advantage members had a behavioral health diagnosis, an increase of more than 1.0 percentage point from 2022.

Primary Care and Behavioral Health Percent of Spending and Diagnosis Prevalence by Insurance Category

2022-2023



Source: Paver-reported data to CHIA



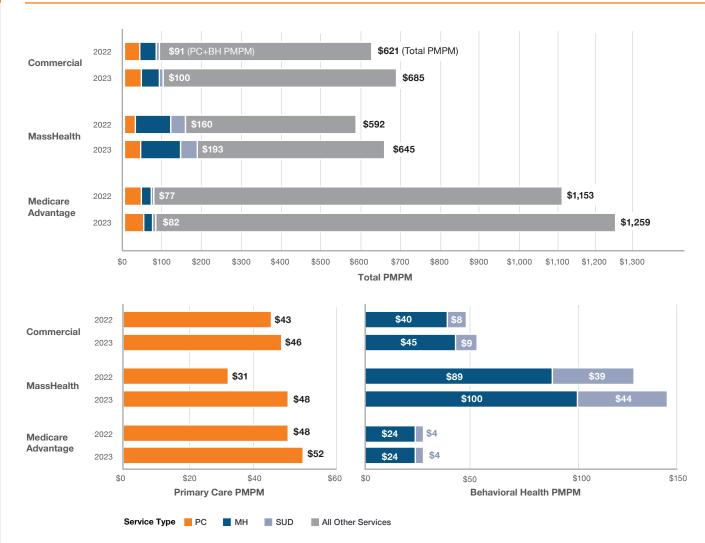
In 2023, primary care spending for commercial members was \$46 PMPM. reflecting a 7.0% increase from 2022. This represented 6.7% of total health care spending for commercial members. Behavioral health spending for commercial members was \$54 PMPM (\$45 MH and \$9 SUD). This was a 12.5% increase from 2022 and represented 7.8% of total health care spending for commercial members.

MassHealth primary care spending in 2023 was \$48 PMPM, a 54.8% increase from \$31 PMPM in 2022. This increase was driven in part by the launch of MassHealth's Primary Care Sub-Capitation Program, which aims to increase investments in primary care. 10 Behavioral health represented 22.3% of total MassHealth spending in 2023 at \$144 PMPM (\$100 MH and \$44 SUD), which was the highest behavioral health spending among all insurance categories.

Medicare Advantage had the highest primary care spending level among all insurance categories in 2023 at \$52 PMPM, an 8.3% increase from 2022. In contrast, Medicare Advantage had the lowest spending for behavioral health at \$28 PMPM (\$24 MH and \$4 SUD), a 3.4% decrease from 2022.

Per Member Per Month Service Type Spending by Insurance Category

2022-2023



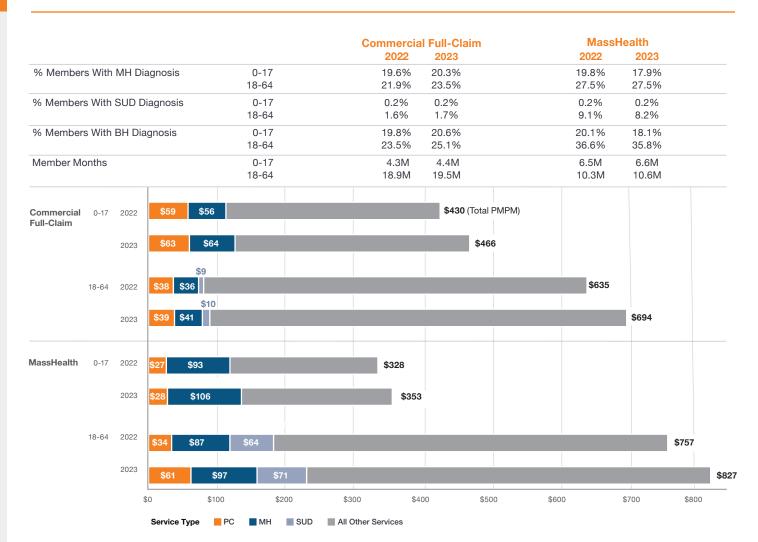
Source: Payer-reported data to CHIA.

In 2023, commercial full-claim¹¹ PCBH spending combined was higher for members ages 0-17 (\$127 PMPM) than for ages 18-64 (\$90 PMPM). For members ages 0-17, commercial health plans spent \$63 PMPM on primary care and \$64 PMPM on MH services. Among commercially insured adults ages 18-64, primary care spending in 2023 was \$39 PMPM, MH spending was \$41 PMPM, and SUD spending was \$10 PMPM. Overall, PCBH spending in 2023 represented 27.3% of total expenditures for commercial members ages 0-17 and 13.0% for members ages 18-64.

MassHealth plans reported higher behavioral health spending PMPM for members ages 18-64 (\$168 PMPM) than 0-17 (\$106 PMPM), driven by higher spending on SUD services (\$71 PMPM) for members ages 18-64 in 2023.12 Mental health spending for MassHealth members ages 0-17 increased from \$93 PMPM in 2022 to \$106 PMPM in 2023. MassHealth primary care spending for members ages 0-17 increased to \$28 PMPM in 2023 while primary care spending for members ages 18-64 increased to \$61 PMPM. In 2023, PCBH spending for MassHealth members ages 0-17 represented a greater proportion of total spending compared with ages 18-64 (37.9% and 27.7%, respectively).

Per Member Per Month Service Type Spending by Age Group

2022-2023



Source: Payer-reported data to CHIA.



CHIA examined MH and SUD spending for members with a primary behavioral health diagnosis, representing a utilizer-based analysis rather than a total population analysis.

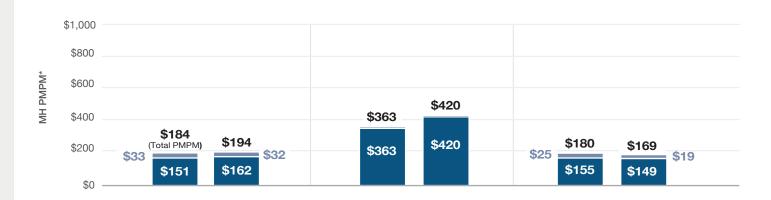
Mental health spending for commercial members with a primary MH diagnosis increased from \$184 PMPM to \$194 PMPM in 2023. These members were responsible for \$32 PMPM in cost-sharing, representing 16.5% of total MH spending in 2023. SUD spending increased to \$564 PMPM in 2023 for members with a primary SUD diagnosis, and members were responsible for 9.6% (\$54 PMPM) of total SUD spending.

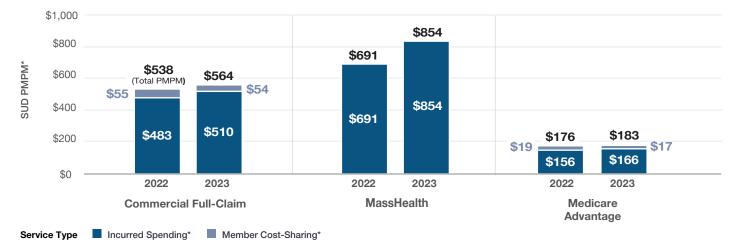
Behavioral health spending was highest across insurance categories for MassHealth members with a behavioral health diagnosis. Mental health spending for MassHealth members with a MH diagnosis was \$420 PMPM in 2023, an increase from \$363 in 2022. SUD spending for MassHealth members with a primary SUD diagnosis was \$854 PMPM in 2023, an increase from 2022.

Mental health spending for Medicare Advantage members with a MH diagnosis increased to \$169 PMPM while SUD spending for members with a SUD diagnosis increased to \$183 PMPM in 2023. Cost-sharing for Medicare Advantage members with a primary behavioral health diagnosis accounted for 11.2% of MH spending and 9.3% of SUD spending in 2023.

Mental Health and Substance Use Disorders Spending for Members With a Behavioral Health Diagnosis

2022-2023





*Only for members with primary diagnosis

Source: Payer-reported data to CHIA.



Mental health services are delivered in a variety of health care settings including inpatient treatment, intensive outpatient programs, outpatient office visits, and residential treatment facilities. Spending for services in these settings differed across insurance categories.

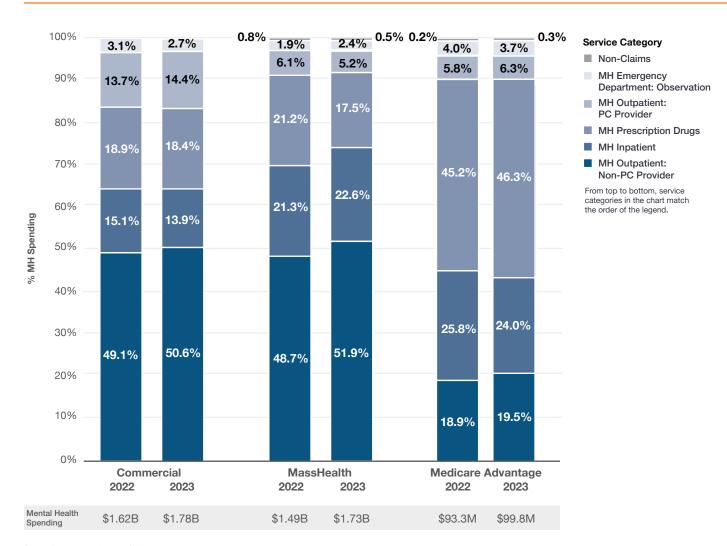
Outpatient MH services provided by a behavioral health or other specialist provider accounted for half of MH spending for both commercial (50.6%) and MassHealth (51.9%) members in 2023. Spending for outpatient MH services delivered by a primary care provider represented 14.4% of total MH spending for commercial members, 5.2% for MassHealth members, and 6.3% for Medicare Advantage members. Increases in MH outpatient spending could be driven in part by the Centers for Medicare and Medicaid Services' (CMS) expansion of behavioral health care coverage in 2022.13

Prescription drugs used to treat MH conditions accounted for the largest proportion of Medicare Advantage MH spending at 46.3% in 2023 but a smaller share of spending for commercial (18.4%) and MassHealth members (17.5%).

The proportion of MH spending for inpatient services varied across insurance categories at 13.9% for commercial members, 22.6% for MassHealth, and 24.0% for Medicare Advantage.

Mental Health Spending by Service Category

2022-2023



Source: Payer-reported data to CHIA.



Compared with MH service spending, inpatient SUD services reflected a greater proportion of SUD spending across all insurance categories. The distribution of other SUD service categories varied by insurance category.

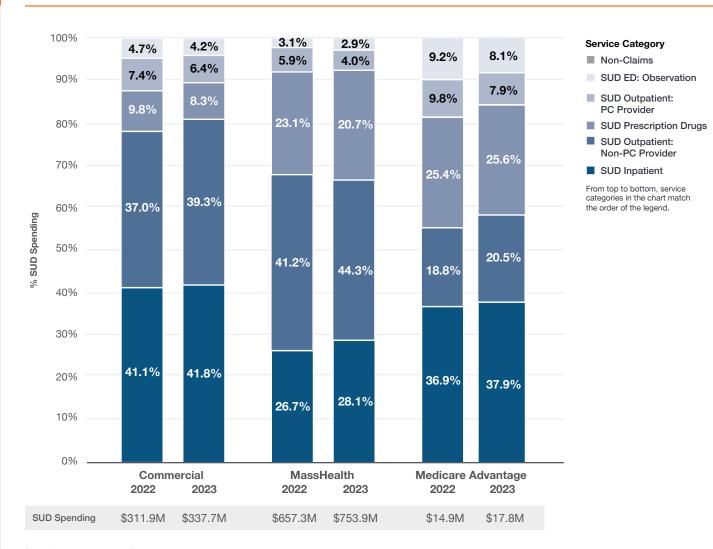
Commercial spending on SUD inpatient services represented 41.8% of total SUD spending in 2023. Commercial spending on SUD outpatient services delivered by a behavioral health or other specialist provider accounted for 39.3% of total SUD spending.

For MassHealth members, outpatient services provided by a behavioral health or other specialist provider accounted for the largest proportion (44.3%) of total SUD spending in 2023, a 3.1 percentage point increase from 2022. At the same time, the proportion of total SUD spending attributable to inpatient services (28.1% of total SUD spending) increased by 1.4 percentage points.

Like commercial SUD spending, inpatient services represented the largest category of Medicare Advantage SUD spending, accounting for 37.9% in 2023. Outpatient services delivered by a behavioral health or other specialty provider accounted for 20.5% of Medicare Advantage SUD spending. Outpatient services delivered by a primary care provider accounted for 7.9% of Medicare Advantage SUD spending.

Substance Use Disorders Spending by Service Category

2022-2023



Source: Payer-reported data to CHIA.



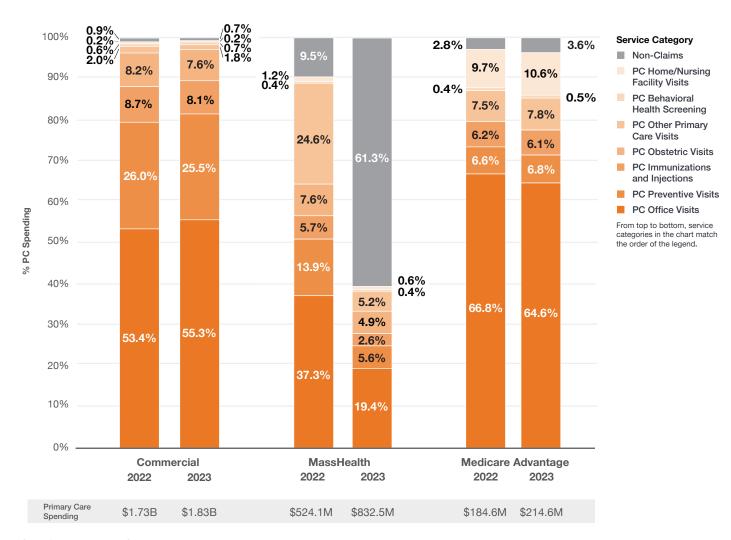
Commercial spending on primary care office visits, such as professional evaluation and management services in an office or outpatient setting, represented 55.3% of total commercial primary care spending, an increase of 1.9 percentage points from 2022. Preventive visits, including medical exams, screenings, and counseling delivered by a primary care provider, represented the next largest share of commercial primary care spending at 25.5% in 2023.

MassHealth primary care spending varied the most between 2022 and 2023 compared with commercial and Medicare Advantage as nonclaims spending represented 61.3% of primary care spending in 2023. The high non-claims spending was a result of the new Primary Care Sub-Capitation Program, which led to a shift in spending from physician claims to non-claims.¹⁴ As in other insurance categories, primary care office visits accounted for the largest percentage of claims-based primary care spending (19.4% in 2023).

Primary care office visits accounted for 64.6% of Medicare Advantage primary care spending in 2023, a decrease of 2.2 percentage points from 2022. Specific to the Medicare Advantage population, 10.6% of primary care spending was on primary care home or nursing facility visits in 2023, which reflect payments made for professional evaluation and management services provided by a primary care provider that were delivered in a private home, rest home, or nursing facility.

Primary Care Spending by Service Category

2022-2023



Source: Payer-reported data to CHIA.



In accordance with CHIA's standard methodology, payers categorized MH and SUD services that were delivered by a primary care provider as behavioral health; however, these services could also be classified as primary care. CHIA estimated the impact on overall primary care spending when including these integrated services, which totaled \$2.11B for commercial, \$953M for MassHealth, and \$222M for Medicare Advantage members in 2023.

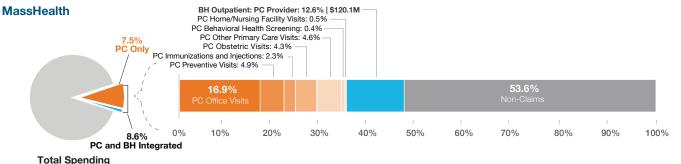
Primary care spending represented 7.8% of total commercial spending in 2023 under the integrated model. Of this spending, behavioral health outpatient services delivered by a primary care provider represented 13.2% of total primary care spending.

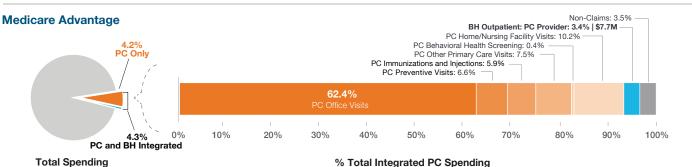
MassHealth's primary care percentage of total spending increased from 7.5% in 2023 to 8.6% when including behavioral health services delivered by a primary care provider, the largest shift among insurance categories. Behavioral health outpatient services delivered by a primary care provider represented 12.6% of primary care spending.

Medicare Advantage plan spending on primary care services remained relatively consistent, at 4.3% of total spending when including integrated behavioral health services and 4.2% without integration. Behavioral health outpatient spending offered by a primary care provider represented 3.4% of total primary care spending.

Integrated Primary Care Service Category Spending by Insurance Category







Source: Payer-reported data to CHIA.



CHIA also modeled the impact on overall behavioral health spending when including behavioral health screenings delivered in primary care settings to patients without behavioral health diagnoses. The inclusion of screenings to the behavioral health service type did not change the proportion of total commercial, MassHealth, or Medicare Advantage spending allocated to behavioral health, which was 7.8%, 22.4%, and 2.3%, respectively, under both the standard methodology and the integrated behavioral health definition.

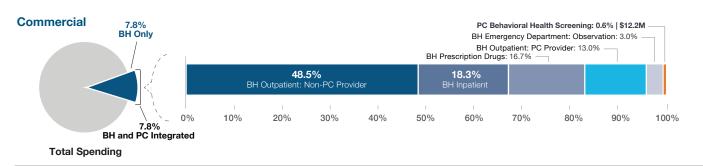
Commercial spending on behavioral health screenings delivered in primary care settings accounted for the smallest portion of integrated behavioral health spending at 0.6%, totaling \$12M in 2023.

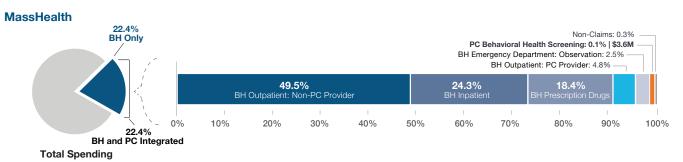
Within CHIA's standard reporting methodology, behavioral health services represented 22.4% of MassHealth spending in 2023. Behavioral health screening services administered by a primary care provider reflect 0.1% of MassHealth spending, the smallest portion of all service categories.

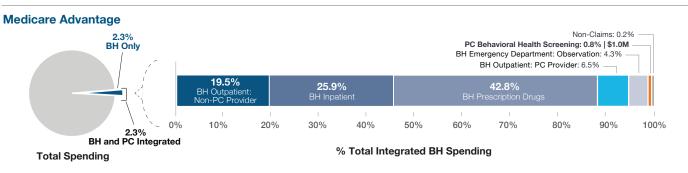
Medicare Advantage plan spending on behavioral health services remained consistent at 2.3% of total spending with or without integration.

Integrated Behavioral Health Service Category Spending by Insurance Category

2023







Source: Payer-reported data to CHIA



Member cost-sharing represents out-of-pocket payments for covered health care services for which the member is financially responsible, such as copayments, coinsurance, and deductibles.

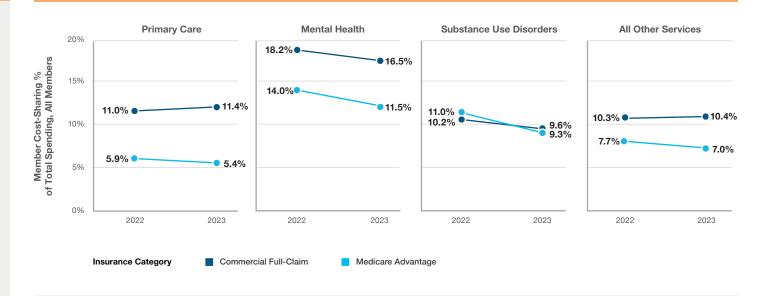
Commercial member cost-sharing declined for both MH and SUD services, decreasing 1.7 percentage points and 0.6 percentage point, respectively. Cost-sharing responsibilities as a percentage of total expenses in 2023 were highest for MH services at 16.5%. In 2023, commercial member responsibility increased slightly to account for 11.4% of primary care spending, compared with 10.4% of all other service spending. However, primary care cost-sharing dollar amounts for commercial members averaged \$5 PMPM in 2023 compared with \$60 PMPM for all other services.

Medicare Advantage member cost-sharing as a proportion of total expenses decreased for all service types. Notably, the largest decrease in cost-sharing (2.5 percentage points) was for Medicare Advantage MH services in 2023. However, members were still responsible for the highest proportion of spending on these services (11.5%) compared with primary care, SUD, and all other services.

Member cost-sharing responsibilities are substantially lower for MassHealth members (not shown) because of federal and state limits. 15 MassHealth member cost-sharing represented 0.1% of total spending across service types.

Service Type Member Cost-Sharing by Insurance Category

2022-2023



Total Cost-Sharing PMPM

		2022	2023
Commercial Full-Claim	PC	\$5	\$5
	MH	\$7	\$7
	SUD	\$1	\$1
	All Other Services	\$55	\$60
Medicare Advantage	PC	\$3	\$3
	MH	\$3	\$3
	SUD	\$0	\$0
	All Other Services	\$83	\$83

Source: Payer-reported data to CHIA.



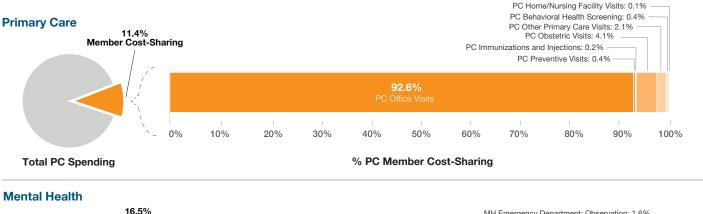
Commercial full-claim members were responsible for 11.4% of commercial primary care spending in 2023. Of primary care member cost-sharing, 92.6% represented office visits (i.e., professional evaluation and management services offered in an office or outpatient setting) followed by 4.1% representing primary care obstetric visits. Remaining primary care service categories reflect other primary care visits such as chronic disease care and wellness visits, home/nursing facility visits, and immunizations and injections.

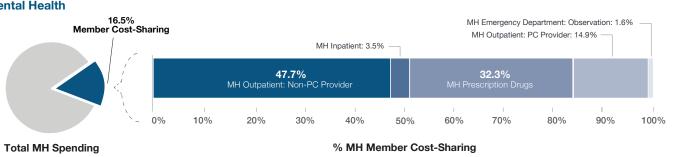
Commercial member cost-sharing for MH services represented 16.5% of total commercial MH spending. Mental health outpatient services offered by a behavioral health or other specialist provider accounted for the largest share of MH member costsharing (47.7%) in 2023, followed by prescription drugs (32.3%), outpatient care from a primary care provider (14.9%), inpatient care (3.5%), and emergency department observation services (1.6%).

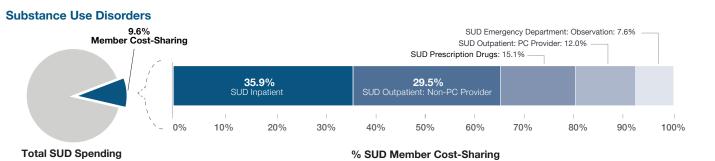
SUD member cost-sharing represented 9.6% of total commercial SUD spending in 2023, SUD inpatient services represented 35.9%, followed by outpatient care offered by a behavioral health or other specialist provider (29.5%) and prescription drugs (15.1%). SUD outpatient services represented 12.0% of member costsharing, and SUD emergency department observation represented 7.6% of private commercial member cost-sharing in 2023.

Commercial Member Cost-Sharing by Service Category

2023







Source: Payer-reported data to CHIA.

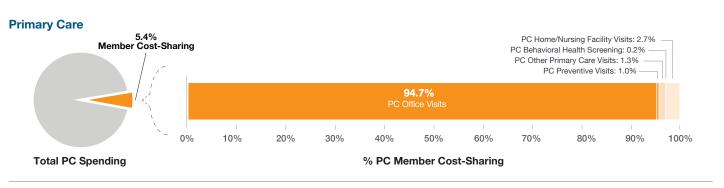


Medicare Advantage member cost-sharing for primary care services represented 5.4% of primary care spending. Of Medicare Advantage primary care member costsharing, office visits accounted for the largest proportion of spending (94.7%), followed by home/nursing facility visits at 2.7%.

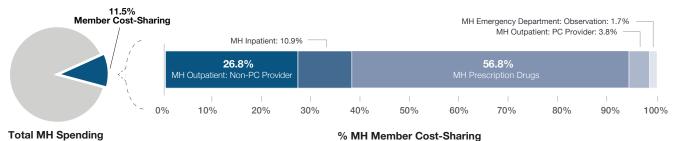
For mental health services. Medicare Advantage member cost-sharing represented 11.5% of MH spending in 2023. Among MH service categories, prescription drugs accounted for the largest proportion of member cost-sharing at 56.8%, followed by outpatient care provided by a behavioral health or other specialist provider at 26.8%.

SUD member cost-sharing for Medicare Advantage members represented 9.3% of total SUD spending in 2023. Inpatient services accounted for the largest share of Medicare Advantage SUD member costsharing (42.3%). Of the remaining service categories, outpatient services offered by a behavioral health or other specialist provider, prescription drugs, outpatient care offered by a primary care provider, and emergency department observation represented represented 29.2%, 14.3%, 7.9%, and 6.2% of total SUD member cost-sharing, respectively.

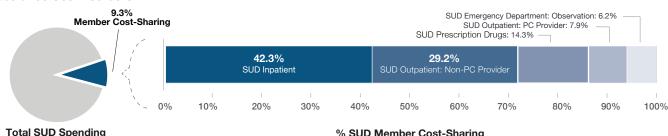
Medicare Advantage Member Cost-Sharing by Service Category



Mental Health



Substance Use Disorders



Source: Payer-reported data to CHIA

Notes: Analysis represents nearly 100% of Massachusetts residents with private commercial insurance, 93.4% of MassHealth members, and 30.3% of Medicare members. Spending for MassHealth members with FFS coverage and Medicare beneficiaries with Original Medicare are not included in these results. For commercial partial-claim data where payers reported behavioral health and pharmacy carve-outs, CHIA

estimated spending by service type. MassHealth included facility claims in primary care definition for CY 2022 and CY 2023; review "Data Sources and Methodology" section above for more information on inclusion of facility claims. Due to payer exclusions from prior years, data may not tie to previously published data points. Data does not reflect aggregate statewide spending, and findings should not be extrapolated for that purpose. MH and SUD diagnosis are not mutually exclusive. Totals may not sum due to rounding. See technical appendix for more information.



% SUD Member Cost-Sharing

SECTION 4:

Health Plan and Managing Physician Group Overview

In addition to the market-level analyses presented in this report, CHIA examined primary care and behavioral health spending by health plan (payer) and managing physician group. Health plans with private commercial members in this report include Aetna, Blue Cross Blue Shield Massachusetts (BCBSMA), Cigna, Fallon, Health New England (HNE), Harvard Pilgrim Health Care (HPHC), Health Plans Inc. (HPI), Mass General Brigham Health Plan (MGBHP), Tufts Health Plan (THP), Tufts Health Public Plan (THPP), United, WellPoint, and WellSense. Health plans with MassHealth MCO/ACO-A lines of business in this report include Fallon, HNE, MGBHP, THPP, and WellSense. Data for MassHealth in this section includes members enrolled in the PCC plan, as well as members enrolled in ACO-B plans (Community Care Cooperative [C3] and Revere Health Choice [formerly Steward Health Choice]). Medicare Advantage payers include Aetna, BCBSMA, Commonwealth Care Alliance (CCA), Fallon, HNE, HPHC, MGBHP, Tufts, and United.

Data presented at the health plan and physician group level represents all payers that submitted data to CHIA in 2022 and 2023; there are no payer exclusions throughout this chapter. Spending data presented in this report is not risk-adjusted and does not account for differences among payers and physician groups in member health status or expected medical costs. CY 2022 data for physician groups is available in the databook for comparison with CY 2023 data presented in this report.

The underlying characteristics of each payer's member population may vary among health plans, impacting the levels of PCBH spending. In addition, the levels of spending across payers can vary based on plan design, provider mix in the payer's network and their accompanying fee schedules, and the use of alternative payment methods.

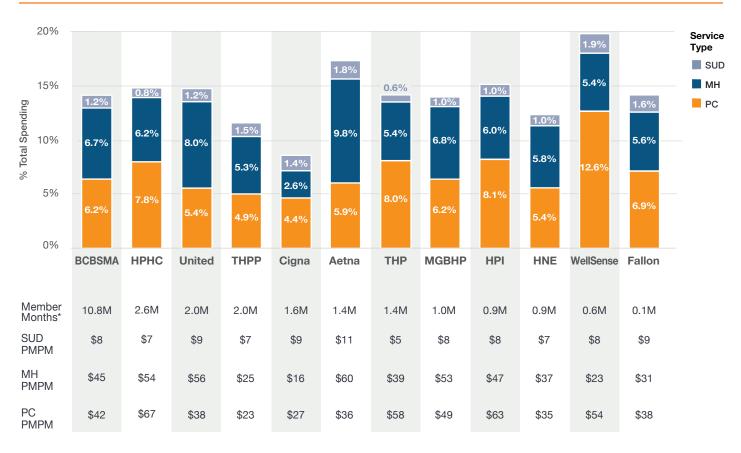
Primary care spending as a percentage of total health care spending varied across payers offering private commercial insurance. Among all commercial payers, WellSense had the highest proportion of primary care spending in 2023 at 12.6% (\$54 PMPM), followed by HPI at 8.1% (\$63 PMPM). Cigna reported the lowest proportion of primary care spending at 4.4% (\$27 PMPM).

There was significant variation in MH spending as a percentage of total expenses across commercial plans. In 2023, Aetna spent the highest proportion of total expenses on mental health at 9.8% (\$60 PMPM). Meanwhile, Cigna's MH spending as a proportion of its total expenses was the lowest among commercial plans (2.6%), measuring \$16 PMPM in 2023.

For each private commercial payer, SUD spending remained below 2.0% of total expenses in 2023, with spending ranging from \$5 to \$11 PMPM.

Commercial Primary Care and Behavioral Health Spending by Payer

2023



^{*}From left to right, payers are ordered largest to smallest by member months.

Source: Payer-reported data to CHIA.

Notes: Analysis represents commercial full-claims data reported by commercial payers that submitted CY 2022 and CY 2023 data representing approximately 63.7% of the commercial market. Due to payer exclusions from prior years, data may not tie to previously published data points. Data does not reflect aggregate statewide spending, and findings should not be extrapolated for that purpose. MH and SUD diagnosis are not mutually exclusive. Totals may not sum due to rounding. See technical appendix for more information.



Member populations within each MassHealth plan and payer were different toward the end of 2023 than in 2022 due to the resumption of member eligibility renewals ("redeterminations") and the establishment of new contracts with ACOs.

Among payers that provided coverage to MassHealth members. WellSense had the highest proportion of primary care spending in 2023 at 9.4% (\$54 PMPM), followed by Fallon at 7.8% (\$46 PMPM). THPP reported the lowest percentage of primary care spending at 5.9% in 2023 (\$34 PMPM). MassHealth reported spending of 7.9% or \$50 PMPM on primary care services for members enrolled in its ACO-B and PCC plans.

Compared with other MassHealth plans, THPP's MH spending as a percent of total spending was highest and represented \$105 PMPM in 2023. Following THPP, Fallon and HNE both attributed 17.6% of their total spending to MH services in 2023, with HNE having the highest MH per-member spending (\$110 PMPM) among all MassHealth plans in 2023.

In 2023, all MassHealth plans reported that SUD spending represented between 3.8% and 10.5% of total spending. THPP reflected the highest proportion of total SUD spending across all MassHealth payers (\$60 PMPM).

MassHealth Primary Care and Behavioral Health Spending by Payer

2023



^{*}From left to right, payers are ordered largest to smallest by member months.

Source: Payer-reported data to CHIA.



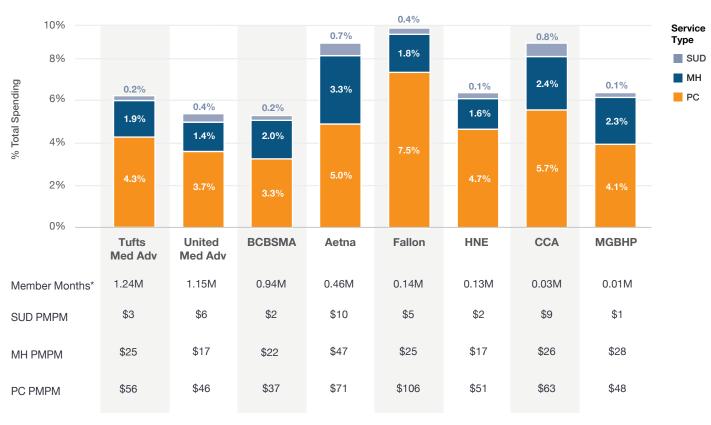
Among Medicare Advantage payers, Fallon had the highest proportion of primary care spending at 7.5%, followed by CCA at 5.7% and Aetna at 5.0%. Fallon and Aetna reflected the two highest primary care per-member spending in 2023 at \$106 and \$71 PMPM, respectively. Similar to 2022, in 2023 BCBSMA reported the lowest percentage of primary care spending at 3.3% (\$37 PMPM).

Aetna had the highest proportion of MH spending at 3.3% in 2023 (\$47 PMPM), followed by CCA at 2.4% and MGBHP at 2.3%. Payers with Medicare Advantage lines of business spent between 0.2% and 0.8% of total spending on SUD services in 2023 while per-member spending remained \$10 or less PMPM.

Among all payers with Medicare Advantage lines of business, total spending and PMPM spending for PCBH services continued to increase year over year. The increase in spending can be attributed to various factors, including the 2022 CMS physician fees schedule final rule, which removed geographic restrictions for MH treatments and provided coverage of telehealth visits for both MH and SUD services. CMS' 2023 final ruling is another factor, which established Medicare coverage for intensive outpatient program services.16

Medicare Advantage Primary Care and Behavioral Health **Spending by Payer**

2023



^{*}From left to right, payers are ordered largest to smallest by member months.

Source: Paver-reported data to CHIA



Managing physician groups—multi-specialty practices including primary care providers (PCPs)—are responsible for coordinating the care of their members. The 10 largest managing physician groups represented 49.2% of commercial full-claim member months in 2023.

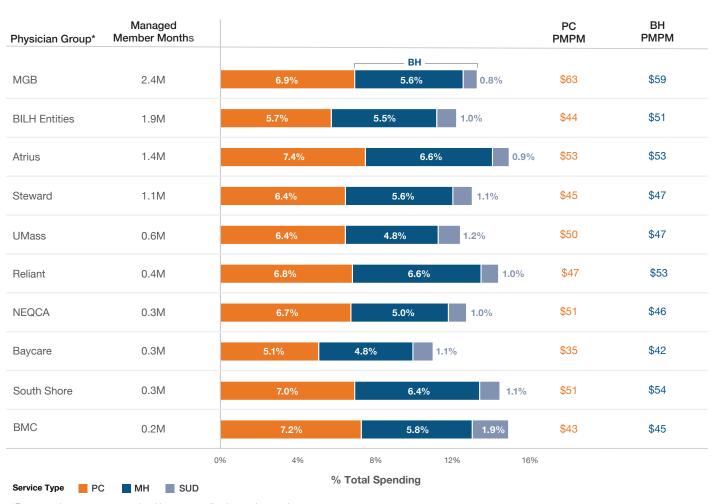
In 2023, Atrius had the highest proportion of primary care spending at 7.4%, followed by Boston Medical Center (BMC) at 7.2%; Baycare had the lowest reported primary care spending percentage at 5.1%. Reliant had the highest proportion of MH spending at 6.6% in 2023, while UMass had the lowest proportion at 4.8%.

Mass General Brigham (MGB), the largest managing physician group among commercially insured members, had the highest primary care per-member spending among the top 10 physician groups at \$63 PMPM in 2023, accounting for 6.9% of their total expenses. MGB had the highest behavioral health spending at \$59 PMPM in 2023, accounting for 6.4% of total expenses.

The composition of members, risk profiles, provider reimbursement rates, and payment types may vary across managing physician groups, impacting service type and total health care spending levels. CY 2022 data is available in the PCBH databook for comparison.

Commercial Primary Care and Behavioral Health Spending by Top 10 Managing Physician Groups

2023



^{*}From top to bottom, payers are ordered largest to smallest by member months.

Source: Payer-reported data to CHIA.

Notes: Analysis represents commercial full-claims data reported by commercial payers that submitted CY 2022 and CY 2023 data representing approximately 63.7% of the commercial market. Totals may not sum due to rounding. The top 10 managing physician groups were identified by commercial full-claim membership totals in 2023. The spending data presented in this report is not risk-adjusted and does not account for differences among physician groups in member health status and expected medical costs. Due to payer exclusions from prior years, data may not tie to previously published data points. Data does not reflect aggregate statewide spending, and findings should not be extrapolated for that purpose. MH and SUD diagnosis are not mutually exclusive. Totals may not sum due to rounding. See technical appendix for more information.



Notes

- 1. Center for Health Information and Analysis, "Payer Data Reporting: Primary and Behavioral Health Care Expenditures," accessed February 27, 2025, https://www.chiamass.gov/payer-data-reporting-primary-andbehavioral-health-care-expenditures.
- 2. General Court of the Commonwealth of Massachusetts, "Session Law Acts of 2022, Chapter 177: An Act Addressing Barriers to Care for Mental Health,"accessed January 29, 2024, https://malegislature.gov/ Laws/SessionLaws/Acts/2022/Chapter177.
- 3. MassHealth, "Roadmap for Behavioral Health Reform," accessed March 28, 2025, https://www.mass.gov/roadmap-for-behavioral-healthreform.
- 4. Blue Cross Blue Shield of Massachusetts Foundation. Massachusetts Roadmap for Behavioral Health Reform: Overview and Implementation Update (Boston, August 2024), https://www.bluecrossmafoundation.org/ publication/massachusetts-roadmap-behavioral-health-reform-overviewand-implementation-update.
- 5. Massachusetts Executive Office of Health and Human Services. "MassHealth Primary Care Sub-Capitation: Program Overview," accessed February 28, 2025, https://www.mass.gov/info-details/ masshealth-primary-care-sub-capitation-program-overview.
- **6.** Massachusetts Executive Office of Health and Human Services. "April 2024 Update on MassHealth Redeterminations," accessed March 26, 2025, https://www.mass.gov/doc/april-2024-dashboard-key-takeaways/ download.
- 7. To see reported data points for SCO, PACE, and OneCare, view CHIA's Primary Care and Behavioral Health Databook at https://www.chiamass. gov/primary-care-and-behavioral-health-care-pcbh-expenditures.

- 8. Center for Health Information and Analysis, "Payer Data Reporting: Primary and Behavioral Health Care Expenditures," accessed February 27, 2025, https://www.chiamass.gov/payer-data-reporting-primary-andbehavioral-health-care-expenditures.
- 9. Data is reported to CHIA pursuant to 957 CMR 2.00: Payer Data Reporting. In accordance with the data specification manual, health plans reported summary-level data related to spending on behavioral health and primary care services. Center for Health Information and Analysis, "Payer Data Reporting: Primary and Behavioral Health Care Expenditures," accessed February 27, 2025, https://www.chiamass.gov/ payer-data-reporting-primary-and-behavioral-health-care-expenditures.
- 10. MassHealth, "MassHealth Primary Care Sub-Capitation Program," accessed April 7, 2025, https://www.mass.gov/masshealth-primarycare-sub-capitation-program.
- 11. "Commercial full-claim" is a subset of the commercial health insurance plans and refers to members for whom the payer had access to and is able to report all claims and non-claims expenses.
- 12. All children between the ages of 0-17 that meet the need for enhanced behavioral health services can become eligible for MassHealth regardless of whether their parents/guardians are eligible, which plays a factor in the PMPM spending for that age group. See "MassHealth for Children and Young Adults," accessed March 14, 2025, https://www. mass.gov/info-details/masshealth-for-children-and-young-adults.
- 13. In 2022, CMS issued its final 2023 physician fee schedule ruling that introduced new behavioral health services and permitted these services to be delivered under general supervision of a physician or non-physician practitioner by licensed professional counselors (LPCs) and licensed marriage and family therapists (LMFTs), expanding access



Notes (continued)

to behavioral health care. See U.S. Department of Health and Human Services, "Medicare and Medicaid Programs; CY 2023 Payment Policies under the Physician Fee Schedule and Other Changes to Part B Payment and Coverage Policies; Medicare Shared Savings Program Requirements; Implementing Requirements for Manufacturers of Certain Single-dose Container or Single-use Package Drugs to Provide Refunds with Respect to Discarded Amounts; and COVID-19 Interim," Federal Register Vol. 87, No. 222 (November 2022), https://www.govinfo.gov/ content/pkg/FR-2022-11-18/pdf/2022-23873.pdf.

14. MassHealth, "MassHealth Primary Care Sub-Capitation Program." accessed March 19, 2025, https://www.mass.gov/masshealth-primarycare-sub-capitation-program.

- 15. Commonwealth of Massachusetts, "MassHealth Copay Information For Members," accessed February 25, 2025, https://www.mass.gov/infodetails/masshealth-copayment-information-for-members.
- 16. Phan, Matthew, Sarah Triano, Logan Kelly, and Deborah Steinberg, "New Changes to Behavioral Health Intensive Outpatient Program Coverage in Medicare," Center for Health Care Strategies, July 2024,



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