

The goals of integrating primary care with mental health and substance abuse treatment are aligned with the “[triple aim](#)”: improved care quality, improved patient satisfaction and decreased cost of health care.

Since integrated care requires primary and behavioral health care providers to take on new services, employees, and create new spaces, this latter aim – cost – can be the most difficult to quantify. Large-scale reviews of cost savings of integrated care, such as from the [World Health Organization](#), lay out the difficulty in determining evidence of these cost savings.

Increasing access for people to receive primary and behavioral health care services means a higher use of some services. Evaluations of a variety of integrated care models show evidence of the economic value of integrated care.

Who Saves Money with Integrated Care?

A [cost analysis](#) from the American Psychiatric Association suggests that integrated care has the opportunity to save commercial insurers, Medicare and Medicaid \$26-\$48 billion annually. A [study](#) of a collaborative care approach to treating depression and diabetes in Washington found an average savings of nearly \$600 per patient over two years. A study of [Missouri’s health homes](#) found a per member per month savings of \$127, which extrapolated to all people seen by health homes in the state meant savings of \$2.9 million annually. A [report](#) from the California Technology Assessment Forum shows that the average per-patient cost of non-mental health services and the cost of specialty mental health care decreases in integrated programs – at \$60 and \$160, respectively. Maryland’s [CareLink Transitional Case Management Services](#) saved \$3.6 million over two years through partnering with hospitals to decrease readmissions and coordinate community services.

Specific strategies often employed in integrated care also show cost savings. For example, agencies using [screening, brief intervention and referral to treatment](#) (SBIRT) [reported](#) savings, especially in the area of reduced injury-related ER visits and admissions.

A [new report](#) from the Patient-Centered Primary Care Collaborative details how overall, studies show patient-centered medical homes reduce health care costs and unnecessary utilization (such as ER visits), and that savings are more dramatic over time and in more intensive or quality-driven programs. As described in [Outcomes of Implementing Patient Centered Medical Home Intervention](#), Medicaid and private payers see an average reduction in total cost and a reduction in hospital admissions with enrollees who receive care at Patient-Centered Medical Homes with integrated behavioral health.

Even without formal research, centers can compare data of how people enrolled in integrated care are using less costly forms of care. [Heritage Behavioral Health Center](#), a SAMHSA Primary and Behavioral Health Care Integration (PBHCI) grantee, found that after one year, people receiving integrated primary and behavioral health care saved their community \$213,000 per month in reduced hospitalizations, nights of homelessness, ER visits and nights in detox.

Where to Find Cost Savings

How can you determine the potential (and actual) cost savings of integrated primary and behavioral health care, and present the case for integrated care to stakeholders?

First, make sure you have a solid understanding of your real costs for services. [Analyzing the Costs of Integrated Care](#) outlines seven steps to conducting a cost analysis. Although created for behavioral health organizations integrating primary care, primary care organizations integrating behavioral health can follow a similar process to do an analysis.

Then, calculate your potential return on investment with [The Business Case for the Integration of Behavioral Health and Primary Care](#). This guide presents a basic equation to calculate the overall cost of behavioral health integration in relation to the revenue gained – including costs to offer services such as screening and warm hand-offs and revenue increased through reimbursement and productivity gains.

The SAMHSA-HRSA Center for Integrated Health Solutions collects the latest research and highlights on how integrated primary and behavioral health care reduces cost on [our website](#).

What resources do you use to develop your case for integration or to show value? Tell us, email Integration@TheNationalCouncil.org.