

Countering Harmful Insurance Policies

Introduction

The reports emerging from American Counseling Association (ACA) members, state branches, coalition partners and behavioral health advocates indicate that counselors are facing a broader systemic challenge than isolated insurance recoupmentsⁱ. Across multiple states, providers are reporting recoupments, reimbursement reductions, downcoding, administrative burdens, network adequacy concerns and agency implementation failures. These developments appear to be occurring within a broader environment of Medicaid funding pressures, eligibility debates, cost-containment efforts, and heightened focus on waste, fraud, and abuse investigations. These practices may also contribute to network adequacy concerns as counselors leave insurance networks or reduce the number of insured clients they are able to serve. To respond to these intersecting pressures, ACA is coordinating a national response while supporting state-specific advocacy efforts.

National Landscape

Reports from Ohio, Nebraska, Florida, Arizona and other states demonstrate recurring themes. Counselors are increasingly describing financial instability caused by recoupments, uncertainty regarding reimbursement, and barriers to participating in insurance networks. While the specific facts differ by state and payer, the underlying concern remains consistent: behavioral health providers have limited leverage when facing large insurers, managed care organizations (MCOs), third-party administrators and government systems.

Although the specific facts vary by payer and state, many of these disputes involve common themes, including reimbursement reductions, downcoding, prior authorization requirements, network adequacy concerns, delayed payments, administrative burdens and recoupments. Recognizing these recurring patterns can help counselors identify emerging issues earlier and coordinate advocacy efforts.

Impact of Medicaid Changes and Waste, Fraud and Abuse Initiatives

Following recent Medicaid policy changes, funding pressures, and increased focus on identifying waste, fraud, and abuse, many counselors have observed a rise in aggressive

payer and MCO actions. While program integrity efforts are important, providers increasingly report that actions intended to identify improper payments may also be creating unintended consequences for counselors who have delivered services in good faith. These concerns include recoupments, increased audits, reimbursement disputes and growing administrative burdens.

How State Branches Can Support Their Members and Mental Health Advocates

1. **Assess the situation**

Review the relevant written notice or public communication, such as a recoupment demand, audit finding, overpayment determination, claim denial, request for records, Medicaid or Medicare bulletin, state agency notice, program guidance or other payer communication. Identify what action the payer or public program is taking, the stated rationale, affected claims or providers, dates of service or effective dates, relevant policies, response deadlines, appeal rights and any supporting documentation cited in the notice.

2. **Understand your rights**

Review your provider agreement, state laws and regulations, Medicaid requirements (if applicable), and payer appeal procedures to determine available options and timelines.

3. **Build Coalitions**

Engage ACA, connect with state branches and work with partner organizations and affiliates. Coalition building can strengthen advocacy efforts, facilitate information sharing and support coordinated campaigns.

4. **Media Engagement**

Media outreach can help bring attention to harmful insurance practices. Prepare concise summaries explaining who is affected, what occurred, why it matters and the impact on clients and communities. Focus on how the policy affects clients' access to care, counselors' ability to remain in-network, workforce stability and the financial sustainability of behavioral health practices. Consider press releases, interviews and op-eds. Avoid technical jargon and focus on real-world consequences.

5. **Identify the appropriate regulator**

Determine whether the insurer or plan is subject to state or federal oversight. Fully insured plans are generally regulated by state insurance departments, while self-funded employer plans and some federal programs may fall under federal jurisdiction.

TIP: *The United States federal government uses a complex system of regulatory oversight for insurance, so to file a complaint about fully insured plans, contact your state insurance commission.*

To file a complaint about self-funded insurance plans, Medicare and veterans' healthcare, you should contact the federal government.

CHECK LIST | TRACKING INSURER ACTION:

- What steps has the insurer taken so far?
 - What steps has the counselor taken?
 - Are legislators involved?
 - Is the media engaged?
- ✓ **Review relevant documentation while complying with HIPAA, ACA Code of Ethics and other applicable privacy requirements.**
 - ✓ **Identify any unclear findings, deadlines, or documentation requests.**
 - ✓ **Contact the payer to request clarification or additional information about the basis for the recoupment or audit findings.**

TIP: *Document everything discussed. Follow up every conversation by getting action items, promises and vital details in writing.*

Use this information to support appeals to state insurance commissions and external review processes, and to share a compelling account with policymakers.

How to Connect with Mental Health Advocacy Partners

For state-specific concerns, [contact your ACA state branch](#) to coordinate messaging, identify local contacts and determine whether similar issues are occurring elsewhere in the state.

Reach out to other mental health advocacy organizations in your state that may share concerns about insurance practices, access to care, reimbursement, network adequacy or administrative burden.

Potential partners may include state affiliates or chapters of the National Association of Social Workers (NASW), Mental Health America (MHA), the National Alliance on Mental Illness (NAMI) and the American Psychological Association (APA), where applicable.

Bring these partners together to compare statewide information, identify common themes, pool resources, and select coordinated actions, such as a joint sign-on letter, legislative outreach, complaint campaign, letter-writing campaign or media outreach.

How to Move Forward a Public Relations Strategy

- Coordinated social media campaigns, editorials, podcasts and general media outreach can help draw attention to policy issues and build public pressure. Before contacting reporters or submitting an op-ed, develop a clear and coordinated message.
- ACA recommends contacting the GAPP team for feedback on articles, op-eds, and other public-facing materials. You can reach us at advocacy@counseling.org.
- Review ACA [guidance on how to write an op-ed here](#).
- Track patterns over time.
 - If multiple counselors are experiencing similar audits, denials, downcoding, recoupments, or reimbursement changes, document whether the issue appears isolated or reflects a broader payer practice. Identifying statewide or national trends strengthens advocacy efforts.
- Prepare a summary of the issue before doing outreach.
 - Include the essential facts of who, what, where, when and why: *Who is affected? What happened? When and where? Why does it matter?*
 - Start with bullet points that capture the key details and the human impact, including how the insurance policy may affect clients, providers and communities.

TIP: *Avoid jargon, acronyms, and “inside baseball” language from the counseling profession. Assume the reader will not know the subject at hand and that you, as a counselor, are the subject matter expert in the discourse.*

Connect with clarity.

- Use the bullets to draft a press release, [adapting a template such as this one](#) if helpful.

- Identify relevant local media outlets and research local outlets that cover health care, mental health, insurance, business or state government.
 - *Note: Reporters who cover health care, insurance or state policy are often the best contacts.*
- Create a media list with reporter names, outlets, beats and publicly available email addresses.
- After sending materials, follow up by phone or email to ask whether additional information is needed and whether the outlet is interested in covering the issue.
- Consider writing an op-ed; [ACA tips are available here](#).

State Advocacy

If the insurer is regulated by the state, advocate for state legislators and/or state insurance commissioners to address the issue.

- [Reach out to your state legislators](#) and legislators who sit on relevant committees, meet with them and share the impact of these policies on counselors and clients
- Be sure to prepare for your meeting:
 - Check out our [Advocacy Tips](#) and our [State-Level Advocacy - Steps for Counselor Legislative Engagement video](#)
 - Check out [Tips to Consider When Communicating with Your Legislator](#)
- Bring a one-pager or fact sheet explaining the issue, how it negatively affects constituents and counselors and what the legislator should do to address the issue
 - Here's an example: [119th Congressional One Pager](#).
- You may also want to launch a letter writing campaign
 - See [examples of our federal congressional letter writing campaigns](#)
- Reach out to your state insurance commission, meet with them and share the impact of these policies on counselors and clients and urge them to take action.
 - [Learn about how to contact your state insurance commission and how they can enforce insurance regulations](#).
- If you believe the insurer has committed a parity violation, you can file a complaint or appeal.
 - See here to [find contact information for your state regulators](#).

TIP: *Each state has different lobbying laws and regulations. It is essential to review your state's laws before proceeding with any advocacy to legislators who do not represent you.*

Federal Advocacy

If the insurer is regulated by the federal government, such as through Veterans Affairs or Medicare, coordinate with ACA. Reach out to ACA by emailing us at advocacy@counseling.org.

We can help:

- Coordinate on sending letters to federal legislators.
- [Share your insurance story with us](#).
- Schedule meetings with congressional offices.
- Raise awareness about the issue.

If you believe the insurer has committed a parity violation, you can file a complaint or appeal.

See here to [learn more about how to file a complaint or appeal](#) and for [additional parity resources](#).

A Shifting Landscape | How to Stay Informed

The U.S. insurance system has a well-documented history of using [delays](#) and [denials](#) to save billions of dollars. Patients and providers are often caught in the middle. This is especially true with mental healthcare, leading to the [2008 Mental Health Parity and Addiction Equity Act \(MHPAEA\) law](#) and subsequent [federal regulations](#) to try to ensure greater healthcare parity.

Fortunately, a growing body of research and policy analysis is documenting the ways insurers use prior authorization, reimbursement policies, network management, utilization review and claims processing practices that can create barriers to behavioral health care. The resources below can help professional counselors better understand these issues, support advocacy efforts and identify strategies to improve access to care.

- **[ACA Advocacy Resources](#):** ACA regularly publishes updates, action alerts, issue briefs and advocacy materials on reimbursement, mental health parity, Medicare, Medicaid, prior authorization, and other insurance-related issues affecting counselors. These resources are often tailored specifically to the counseling profession and can help providers stay informed about emerging policy developments and advocacy opportunities.
- **[ACA Government Affairs Blog](#):** ACA's Government Affairs and Public Policy team provides analysis of federal and state policy developments affecting counselors, including insurance reimbursement, mental health parity, Medicare, Medicaid and workforce issues.

- **[KFF Health News – Bill of the Month](#)**: This ongoing investigative series examines real-world billing disputes and insurance coverage challenges, highlighting common insurer practices, denial patterns and consumer appeals processes that can affect access to care.
- **[KFF Health News – Insurance Coverage and Prior Authorization Reporting](#)**: KFF Health News provides extensive nonpartisan reporting on prior authorization requirements, claims denials, mental health coverage issues, insurer consolidation and other practices affecting patients and providers.
- **[The Commonwealth Fund – Behavioral Health Coverage and Insurance Reform](#)**: The Commonwealth Fund publishes nonpartisan research and analysis on mental health parity, prior authorization, network adequacy, provider participation, reimbursement policies and access to behavioral health services. These reports are particularly useful when discussing insurance reform with policymakers and regulators.
- **[Urban Institute – Behavioral Health and Health Policy Research](#)**: The Urban Institute produces rigorous policy research on mental health coverage, parity enforcement, provider participation in insurance networks, Medicaid policy and barriers to accessing behavioral health services. Their work is particularly valuable for understanding system-level trends affecting counseling practice.
- **[National Academies of Sciences, Engineering, and Medicine \(NASEM\) – Behavioral Health Care Access and Workforce Reports](#)**: NASEM publications examine barriers to behavioral health access, workforce shortages, administrative burdens and policy reforms designed to improve care delivery. These reports provide evidence frequently cited by federal agencies and lawmakers.
- **[CMS Mental Health Parity and Addiction Equity Act \(MHPAEA\) Resources](#)**: Federal guidance and educational materials explaining parity requirements and enforcement efforts. These resources can help counselors better understand how health plans are expected to provide mental health and substance use disorder benefits on par with medical and surgical benefits.
- **[Agency for Healthcare Research and Quality \(AHRQ\) – Health Care Delivery and Insurance Research](#)**: AHRQ supports and publishes research on healthcare quality, utilization management, patient access, care delivery systems and administrative burdens that affect providers and patients alike.
- **[Peer-Reviewed Research on Prior Authorization and Administrative Burden](#)**: Research published in journals such as [Health Affairs](#), [JAMA Health Forum](#) and [The New England Journal of Medicine](#) has documented the impact of prior authorization and other administrative requirements on providers, patients, and healthcare

system efficiency. These articles can provide useful evidence when discussing reform efforts with policymakers, regulators or payers.

In Review

- **Get it in writing.**

If an insurance representative makes any promises about treatment or provider coverage, it's important to get this in writing so it's harder for the insurer to dispute later.

- **Document your efforts.**

Keep evidence of the claims you've submitted, the denials you've gone through, and your time lost in dealing with insurance companies. This information can be used as evidence when appealing to state insurance commissions and external appeals. It also tells a powerful story that you can share when interacting with policymakers.

When speaking with the insurance company, write down the representative's name and the date and the time of the correspondence. This creates an informal record and can help you hold the insurance company accountable for any promises the representative makes

- **Escalate as necessary.**

Always appeal. It may be necessary to file multiple appeals, get an external review and/or file a complaint. Check out this [Health Insurance Appeals Guide](#) for information about filing appeals

- **Keep an eye out.**

Look out for new and ethical HIPPA- and *ACA Code of Ethics*-compliant tools to support your billing process.

Conclusion

While individual disputes may differ, the recurring nature of these reports suggests broader systemic challenges that warrant continued state and federal attention. ACA encourages counselors and state branches to document emerging issues, share information, and coordinate advocacy whenever similar patterns arise.

ACA will continue advocating for greater mental healthcare parity and fair compensation for counselors. Stay tuned for more policy updates and advocacy resources. For more information or if you would like to become involved in ACA's advocacy efforts, please contact the Government and Public Policy team at advocacy@counseling.org.

Disclaimer: In accordance with the [ACA Code of Ethics](#), you cannot provide any identifiable information about your clients without their prior consent. Instead, we recommend speaking generally about what clients go through when denied coverage and how insurance practices impact your ability to provide care. If you would like to discuss the experiences of a specific client, you must seek their (or in the case of minors, their guardian's) consent.

Key Resources

- [ACA Advocacy Resources](#)
- [ACA Advocacy Toolkit](#)
- [ACA Code of Ethics](#)
- [ACA Values](#)
- [How to Write an Op-Ed](#)
- [Advocacy Tips](#)
- [119th Congressional One Pager](#)
- [Insurance Commission Resource](#)
- [Parity Resources](#)
- [Kennedy Forum Resources](#)

ⁱ **Recoupment** is a payer's recovery of funds from a provider after determining that a claim was overpaid, improperly billed, lacked required documentation, was deemed medically unnecessary, or otherwise did not meet payment requirements