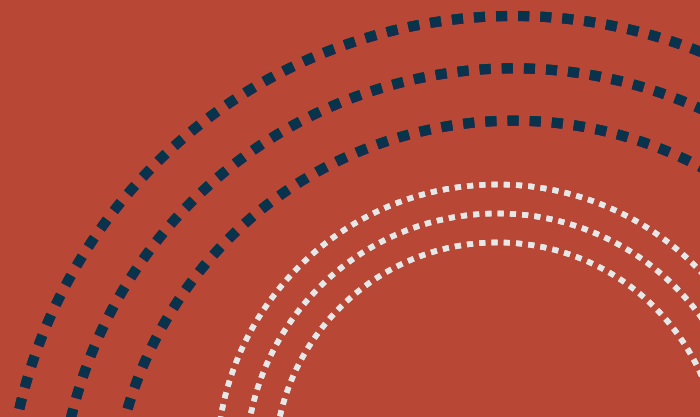




# Shaping the Future of Behavioral Healthcare: Strategic Priorities and Technology Trends for 2025



The demand for behavioral healthcare has risen sharply in recent years – a trend that is likely to persist. However, some projections suggest some crucial behavioral health roles (such as psychiatrists and addiction counselors) will experience significant [shortfalls](#) by 2030.

According to the U.S. HRSA Analysis, there is going to be a [62% increase](#) in demand for behavioral health services by 2026. To navigate rising demand and potential staff shortages—among other challenges—behavioral health leaders must embrace adaptability and wear multiple hats: talent scout, technology innovator and financial strategist, just to name a few. As market consolidation intensifies, behavioral health organizations are shifting their approach – diversifying programs and funding sources, for example – while maintaining an unwavering commitment to exceptional patient care and outcomes.

To better understand the current state of behavioral health and how behavioral health organizations are setting priorities for 2025, Becker’s Healthcare and NextGen Healthcare surveyed 130 leaders from a range of healthcare organizations. Below are key findings and summarized insights from the survey.

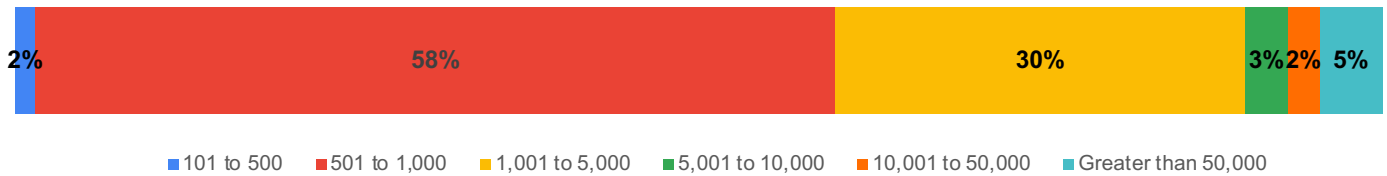
## Financial stability, integration and technology: top strategic priorities

One-third of survey participants indicated that financial stability is their highest strategic priority for the next 12 to 18 months.

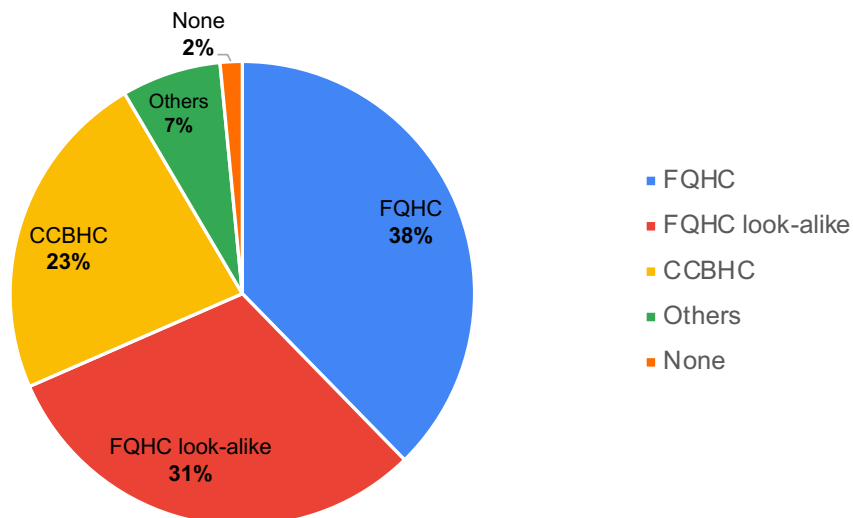
A variety of factors are creating financial pressures for behavioral health organizations, prompting leaders to do more with less. High employee [turnover](#) rates, regulatory compliance issues, [notoriously low reimbursements](#) and Medicaid [disenrollments](#) nationwide have all negatively impacted the bottom line for behavioral health organizations.

In response, many organizations are expanding the array of services they offer. A whole-person approach to care, new innovative care models and diversified services can deliver better patient outcomes by supporting the full continuum of care. Expanded services can also diversify revenue for organizations by tapping into new funding streams, reaching broader patient populations, and creating opportunities for sustainable growth in an ever-changing healthcare landscape.

### Organization Number of Patients Served Annually



### Which of the following designations do you have at your organization?



Nearly one-third of survey participants (31%) said that upgrading technology infrastructure is their top priority for the next year and a half. While the federal government has pledged over [\\$20 million](#) in the next several years to advance health IT in behavioral healthcare, there is still substantial progress to be made. [Upgrades](#) to EHR systems and automation of processes are seen as some of the most important enhancements needed to drive efficiencies, improve data accuracy, and support seamless care coordination across providers.

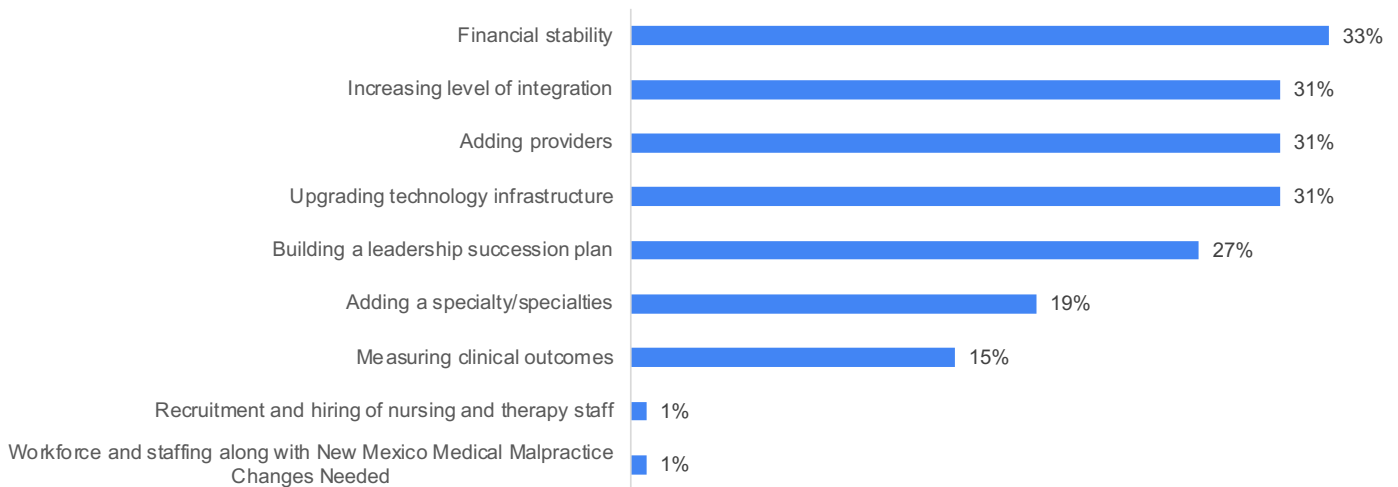
Close to one-third of survey respondents (31%) identified increasing the level of integration within their organizations as their top priority for the next 12 to 18 months. Achieving better integration is foundational to delivering effective whole-person care, as it breaks down silos between behavioral health, primary care, and other specialties. By creating a seamless flow of information, organizations can gain a comprehensive view of a patient’s journey, enabling more accurate diagnoses, personalized treatment plans, and ultimately, better health outcomes. This collaborative approach ensures that no aspect of a patient’s care is overlooked, reinforcing trust and continuity in the patient-provider relationship.

To make this vision a reality, organizations must develop a robust business plan that prioritizes technology as the backbone of integration. Strategic investments in systems that unify data and workflows across the continuum of care are critical for addressing service delivery requirements



and meeting rising patient expectations. Moreover, ensuring these systems are optimized for advanced data collection and analytics isn’t just beneficial – it’s essential. Reliable data insights can drive better clinical decision-making, enhance operational efficiencies and reduce clinician burnout by streamlining administrative tasks. The result is an integrated, patient-centered ecosystem that fosters innovation and delivers measurable improvements in care quality and provider satisfaction.

### What is your highest strategic priority for the next 12 - 18 months?



## Rethink care delivery and embrace innovation

For nearly 40% of survey participants, negotiating better payer rates and pursuing growth through diversified programs and funding sources are key financial priorities over the next 12 to 18 months. To achieve these goals, organizations may want to consider evolving beyond traditional care delivery models and leveraging technology to enhance patient outcomes and operational efficiencies.

To improve financial performance while prioritizing quality outcomes, behavioral healthcare providers should explore alternative payment models (APMs) that focus on aligning financial incentives with patient outcomes. For example, organizations could consider becoming a Certified Community Behavioral Health Clinic (CCBHC). CCBHCs often receive enhanced funding, which can expand access to care and help address health disparities. Value-based care models, which reward high-quality, cost-effective care, could also offer a pathway to improving payer relationships and financial sustainability.

Data plays a crucial role in shaping financial and growth strategies. However, to get the most out of preexisting data, behavioral health providers need to embrace EHRs and the various technology solutions they support.

Behavioral health providers have historically lagged in EHR adoption compared to other healthcare sectors. A 2019 report by the Substance Abuse and Mental Health Services Administration (SAMHSA) [indicated](#) that psychiatric hospitals had lower rates of EHR adoption and interoperability functions than general hospitals. However, the Office of the National Coordinator for Health Information Technology has pledged \$20 million in funds to help advance health IT technology in behavioral healthcare practice settings. This means it is an optimal time for leaders at behavioral healthcare organizations to ensure their organizations are embracing EHR integration to better leverage data in a way that supports both financial and clinical success.

Data-driven insights derived from the EHR can help identify service gaps, monitor patient outcomes and optimize operational decision-making. With these tools, organizations might find they are better positioned to negotiate favorable contracts, set competitive rates, and develop targeted marketing strategies that attract both patients and payer partners.

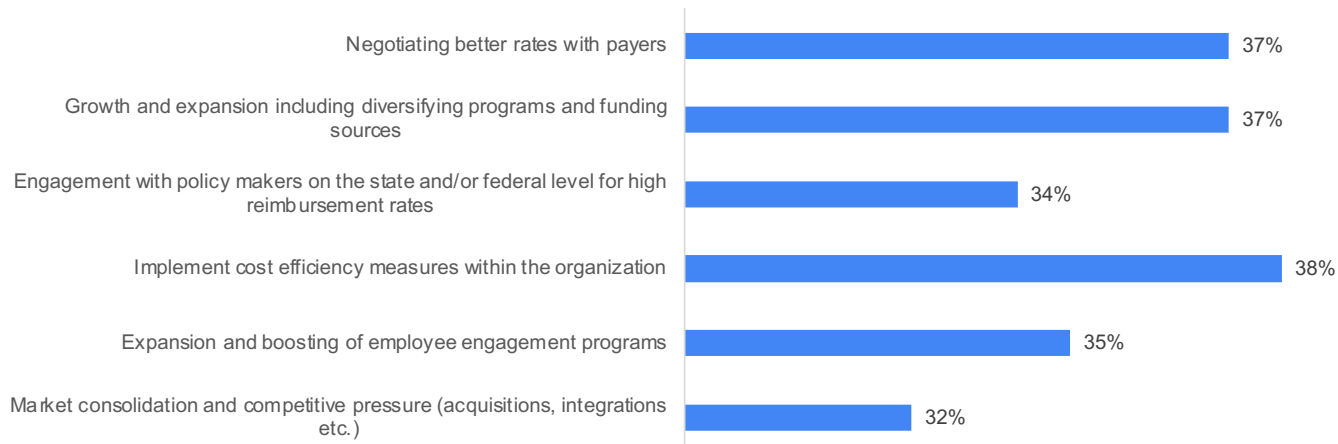
For instance, a community-based behavioral health organization implemented an integrated EHR with automated care pathways, resulting in a 25% reduction in administrative burden and a 30% improvement in follow-up appointment rates for at-risk patients, according to deidentified NextGen partner data.

In addition to embracing the EHR, behavioral health providers should also look to leverage emerging technology solutions powered by artificial intelligence. For example, AI-driven solutions can help streamline the revenue cycle by automating routine tasks like claims processing and identifying billing discrepancies. Automation can also alleviate some of the administrative burdens, freeing up staff to focus on patient care. With these technologies, organizations could improve financial forecasting, enhance operational sustainability, and reduce burnout among clinicians and administrative staff.

For example, according to deidentified NextGen partner data, a behavioral health network reduced its annual clinician turnover rate from 35% to 18% by adopting clinician-centered strategies, including ambient AI technology to streamline documentation, flexible work arrangements, and career development opportunities. These initiatives reduced administrative workloads by 40%, improved clinician satisfaction to 85%, and saved an estimated \$500,000 in recruitment and training costs.



## What financial priorities and issues are you focusing on in the next 12 - 18 months?



### Consider technology integration for mergers and acquisitions

As mergers and acquisitions become more common in the behavioral health sector, organizations expanding across multiple states or regions might consider prioritizing the integration of their technology platforms. Centralizing systems for billing, revenue cycle management, and patient engagement can ensure smoother operations across newly expanded organizations. Investing in scalable and interoperable technology can provide long-term benefits by aligning processes and improving overall efficiency.

By exploring these recommendations, behavioral health organizations may be able to meet their immediate financial goals while also positioning themselves for sustained growth and success in a rapidly evolving healthcare landscape.

### EHR systems need the most improvement

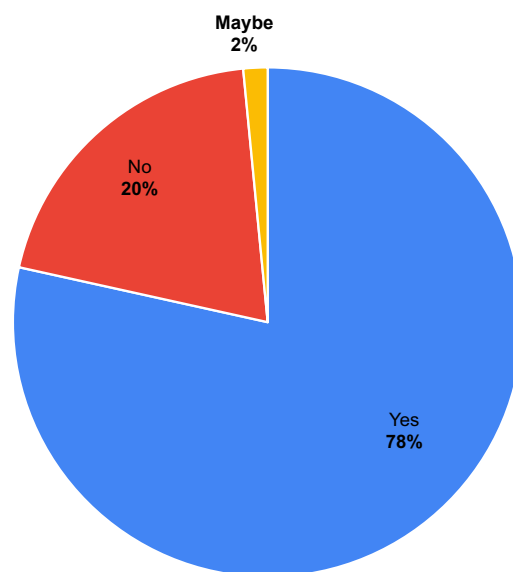
For many behavioral healthcare providers that have embraced EHRs, the technology remains a point of frustration. Over three-quarters of survey respondents (78%) indicated they want to replace their EHR provider within the next year. This suggests many healthcare leaders are questioning whether their current systems meet the evolving demands of healthcare delivery, particularly in behavioral health.

One industry leader observed that large behavioral health enterprises often have a strong appetite for changing their EHR systems, while mid-market organizations are more

likely to make do with what they have and often lag with technology integration efforts, typically due to financial constraints. Meanwhile, small organizations, despite limited resources, are increasingly seeking out technologies – including EHR replacements – to meet their rapidly growing business needs and ensure they remain competitive.

As organizations across the spectrum explore their options, it's important to recognize that the decision to upgrade or replace an EHR system is more than just a technical upgrade – it's an opportunity to rethink how technology can better serve organizational and patient needs. For organizations of all sizes, choosing the right EHR system that aligns with long-term goals is a critical step toward improving patient outcomes and operational efficiency.

## Are you looking to replace your EHR provider within the next year?



Dr. Haque has seen similar results. “Some of the most common outcomes from a quality, home-based care program include lower readmissions, decreased resource utilization, lower cost of care, improved patient engagement and treatment adherence, preserved or improved functional status and most importantly – increased patient and provider satisfaction. As a practicing hospital-at-home physician, I’ve seen several of these outcomes across a variety of diseases including congestive heart failure, chronic obstructive pulmonary disease and diabetes.”

The top two challenges that organizations are encountering with their current EHR system include the user experience (26%) and interoperability (20%). These challenges highlight areas of focus for improvement, especially considering the broader goal of creating systems that support whole-person care.

The user experience is critically important for both clinicians and patients. A positive user experience for clinicians can reduce turnover and help organizations become an employer of choice. Patient engagement is also essential for behavioral health organizations. A study from KFF shows that nearly [70% of people](#) who dropped Medicaid status did so for procedural reasons meaning they didn’t turn in the necessary forms or weren’t activated in their care.

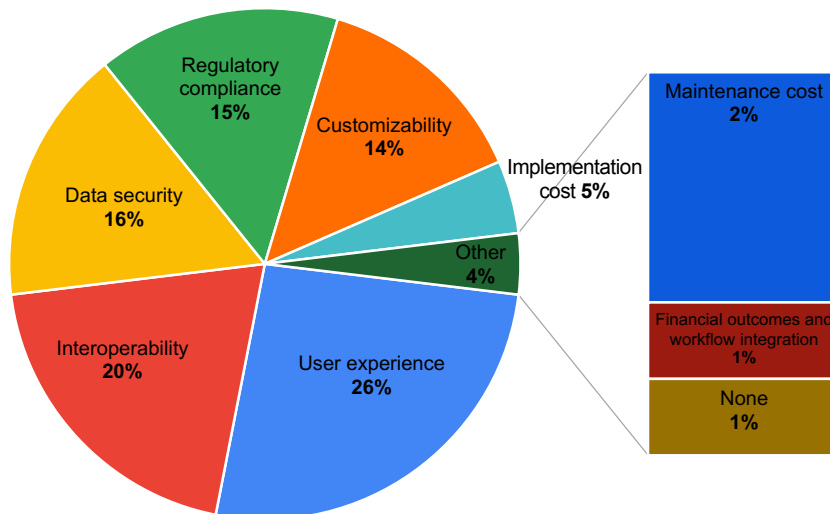
Interoperability, which is directly related to clinician efficiency, is an increasing imperative for behavioral health organizations as they aim to deliver more care with fewer resources. An [analysis](#) of survey data by



the Substance Abuse and Mental Health Services Administration (SAMHSA) showed psychiatric hospitals, compared to other healthcare organizations, lag even further behind in the adoption of interoperability and patient engagement functions.

When healthcare IT systems are connected through interoperability solutions, a wealth of data becomes available to clinicians. But simply pulling in large amounts of data is not enough – it must be presented in a meaningful, digestible way that supports clinical decision-making. Behavioral health leaders need to ensure that the insights delivered through integrated systems are actionable, timely, and relevant, providing clinicians with the information they need to make informed decisions at the point of care.

### What’s your biggest challenge with your current provider?



## Integrated whole-person care is a goal for behavioral health leaders, but many are starting from a base of minimal collaboration

Historically, mental health and substance use services have been developed across states and regions based on [community](#) needs and resources. As a result, the behavioral health market tends to be highly fragmented. Mental health, substance use and physical health systems are often separate organizations with their own data, financing, EHR requirements and privacy regulations.

The National Council for Behavioral Health has developed a [framework](#) with six levels of care that defines what coordinated, co-located and integrated care looks like for behavioral health, primary care and other healthcare providers.

When survey participants were asked what level their organizations are currently at in this framework, the largest number indicated they are still at Level 1 – minimal collaboration.

Improving collaboration and helping care teams work as one, integrated unit are critical steps to improve care delivery. One of the most important steps to improving collaboration is reducing staff turnover and burnout. Tools and technology specifically designed to improve the clinician experience, such as ambient listening and augmented intelligence, should be regarded as key investments and drivers for success.

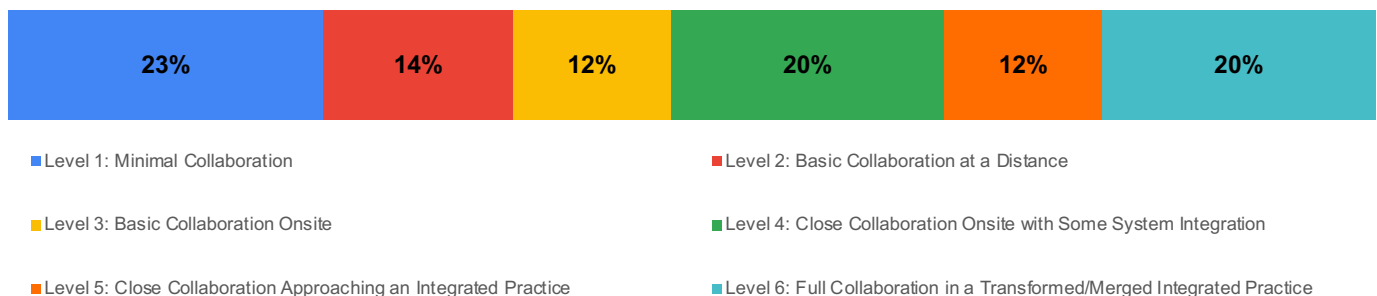
As organizations strive to reach the next level of integration, the survey participants report that top focus areas include behavioral health recruitment, staffing and workforce development (27%); integrating organizational structures (24%); creating a business plan to integrate behavioral and primary care (22%); and primary care recruitment, staffing and workforce development (21%).

Managing high-risk, high-cost patients is a crucial strategy for enabling an integrated care model. By focusing on population health and care management, this integrated model also becomes attractive to payers and can lead to more financial success long-term.

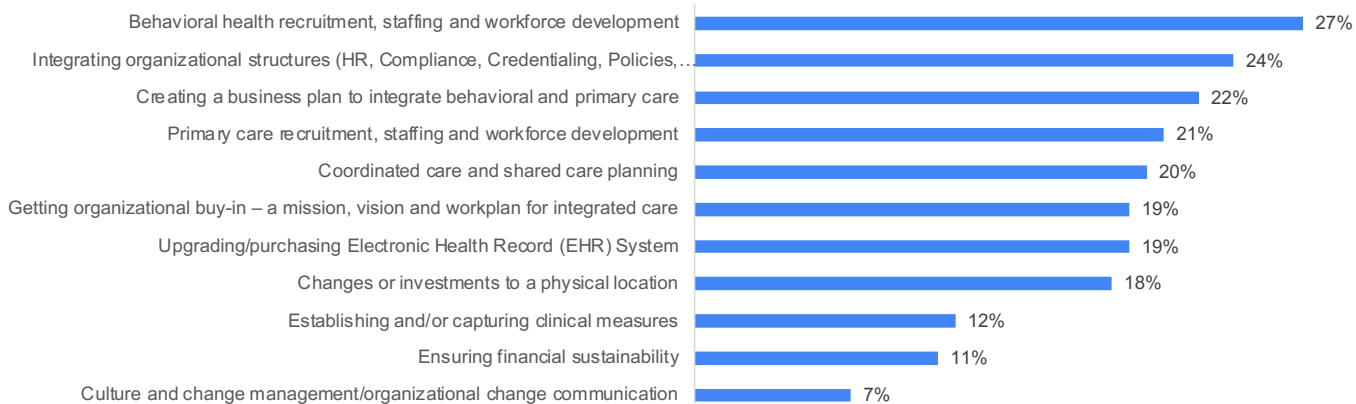
Coordinated Key Element: Communication		Co-Located Key Element: Physical Proximity		Integrated Key Element: Practice Change	
<b>Level 1</b> Minimal Collaboration	<b>Level 2</b> Basic Collaboration at a Distance	<b>Level 3</b> Basic Collaboration Onsite	<b>Level 4</b> Close Collaboration Onsite with Some System Integration	<b>Level 5</b> Close Collaboration Approaching an Integrated Practice	<b>Level 6</b> Full Collaboration in a Transformed/ Merged Integrated Practice

Source: [https://www.thenationalcouncil.org/wp-content/uploads/2020/01/CIHS\\_Framework\\_Final\\_charts.pdf?daf=375ateTbd56](https://www.thenationalcouncil.org/wp-content/uploads/2020/01/CIHS_Framework_Final_charts.pdf?daf=375ateTbd56)

### Based on the Framework for Levels of Integrated Care from the National Council for Behavioral Health, at what Level of Integration would you say your organization is currently?



**Please select your top two areas of focus for getting to the next level of integration:**



A single system that supports the full continuum of care is necessary for behavioral health organizations working to advance integration. Seamless integration across systems is a key characteristic of practices at Level 6 of the National Council for Behavioral Health’s framework. Ideally, organizations will also have a one-stop shop for robust data analytics and regulatory reporting needs.

As behavioral health leaders continue to guide their organizations through challenges in operations, patient demand, staffing and financial viability, a continued focus on innovation and patient engagement are key. The Becker’s Healthcare-NextGen survey participants’ stated priorities reflect these critical components, while also underscoring a widespread need for greater strides in integrated services and technology capabilities.

