The State of Behavioral Healthcare

2025 Outlook

Kipu

By Carina Edwards and Travis Moon

Uncovering the Trends, Challenges, and Drivers of Behavioral Health

Kipu's Behavioral Health Survey aims to provide insights into the current state of behavioral health care from those who know it best: the people delivering the services. The survey captures perspectives from leadership, clinical staff, and non–clinical staff across behavioral health facilities, highlighting challenges, successes, and priorities for the future.

Our respondents included leaders from the C–suite, as well as vice presidents and directors; clinical staff like therapists and doctors; and non–clinical staff encompassing billing specialists and administrative coordinators. Collectively, their input sheds light on where the field stands today and how it can evolve to provide better care and operational effectiveness.

At a high level, the data reveals some emergent trends and themes, including the following:

Staffing shortages, administrative burdens, and the need for technology upgrades are central concerns across behavioral health facilities.

Respondents across all groups believe technology is critical to addressing the addiction crisis.

Burnout remains a major issue for staff, despite leadership's belief that they are managing burnout effectively.

Each group is facing its own set of challenges:

Leadership is focused on workforce development and technology investments.

Clinical staff need streamlined administrative processes and effective outcomes tracking.

Non–clinical staff are facing challenges related to billing complexities and compliance requirements.

Despite these issues, there is optimism across the sector, with a focus on growth opportunities through integrated care models, telehealth, and enhanced community services.

About the respondents

The survey gathered responses from a diverse group of professionals across behavioral health facilities.

We surveyed a total of 1,000 people:

256

directors, vice presidents, or executives

26%
of respondents

374

people in clinical, patient–facing roles

37%
of respondents

126

people in admin, finance, clerical, front desk, and similar roles

13%
of respondents

A total of 184 respondents were disqualified because they either did not work in behavioral health facilities or they did not serve in one of these roles.

18.4%

Responses came from across the country, with the greatest representation coming from California, Florida, and Alabama.

The insights from these respondents provide a comprehensive view of the behavioral health landscape, highlighting both shared challenges and role–specific concerns.
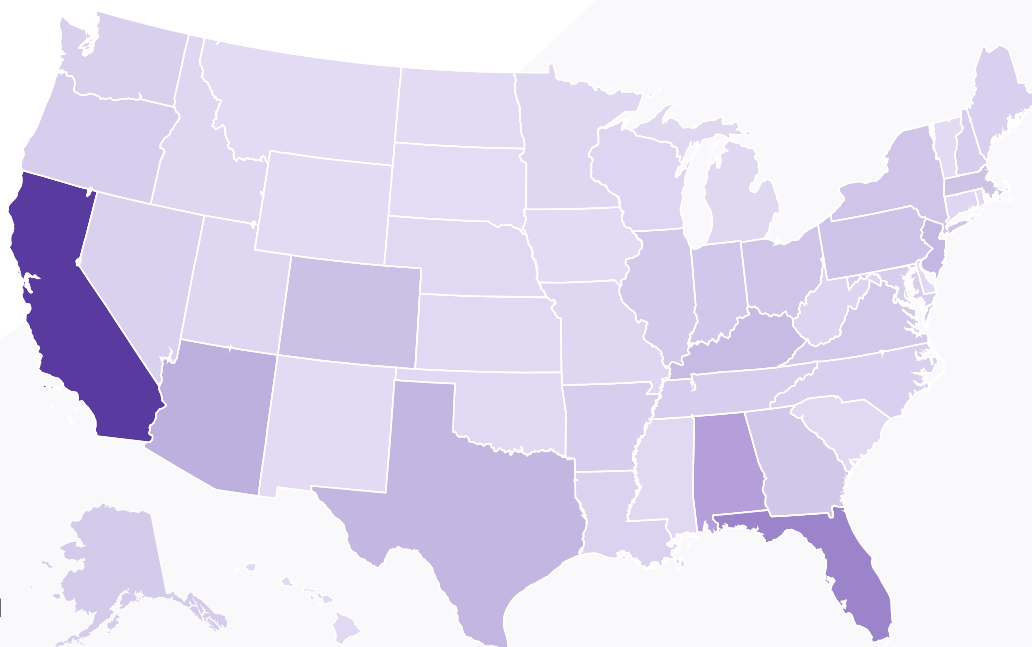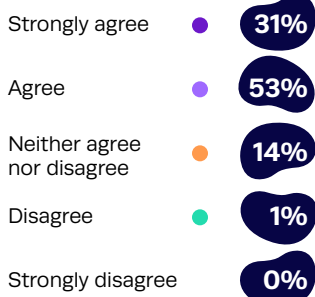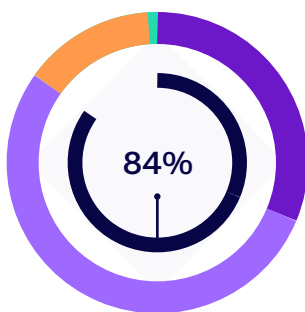
Key Findings

Participants across the board believe technology is critical for addressing the addiction crisis.
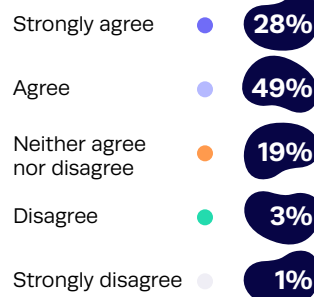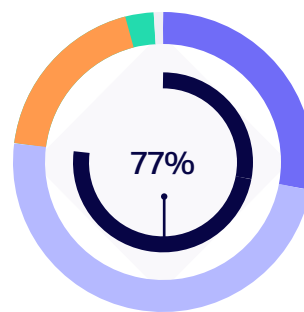
Leadership and clinicians overwhelmingly believe technology can play a critical role in addressing the addiction crisis in behavioral health, potentially reducing both the scope of the crisis and its negative impacts on patient outcomes. A substantial **84%** of leaders agree or strongly agree that technology can aid these efforts, and **77%** specifically believe it can help reduce relapse rates. Clinicians echo this sentiment, with **77%** seeing technology as a valuable aid and **63%** convinced of its potential to help lower relapse rates.

> Leaders and clinicians agree: technology can help reduce relapse rates.
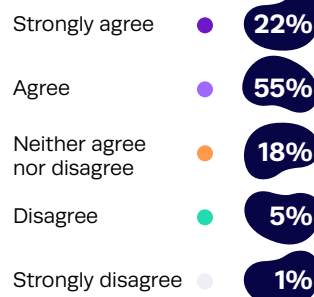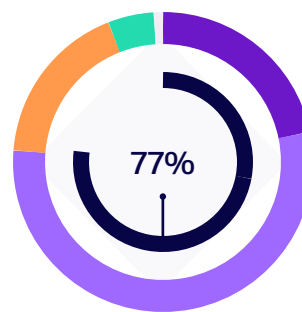
Do you believe that technology can help reduce the scope and negative impacts of the addiction crisis? (Leaders)

84%

Strongly agree ●	**31%**
Agree ●	**53%**
Neither agree nor disagree ●	**14%**
Disagree ●	**1%**
Strongly disagree	**0%**

Do you believe that technology can help reduce relapse rates? (Leaders)

77%

Strongly agree ●	**28%**
Agree ●	**49%**
Neither agree nor disagree ●	**19%**
Disagree ●	**3%**
Strongly disagree ●	**1%**

Do you believe that technology can help reduce the scope and negative impacts of the addiction crisis? (Clinicians)

77%

Strongly agree ●	**22%**
Agree ●	**55%**
Neither agree nor disagree ●	**18%**
Disagree ●	**5%**
Strongly disagree ●	**1%**

Do you believe that technology can help reduce relapse rates? (Clinicians)

63%

Strongly agree ●	**19%**
Agree ●	**44%**
Neither agree nor disagree ●	**28%**
Disagree ●	**6%**
Strongly disagree ●	**2%**
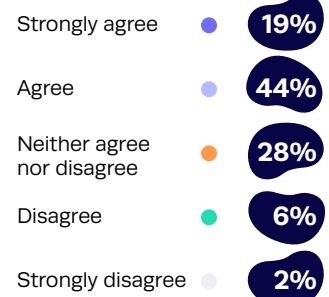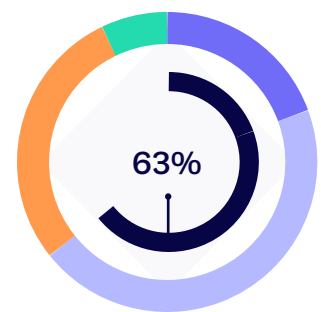
Notably, **68%** of clinicians report that technology positively influences their ability to connect with patients. This improvement in connectivity suggests that technology, when well–integrated, can enhance the therapeutic alliance—a key factor in long–term recovery. Video conferencing platforms, mobile apps for regular check–ins, and digital tools that enable real–time tracking of patient progress are helping clinicians maintain supportive, ongoing contact, even outside of traditional therapy sessions.

For facilities looking to leverage technology effectively, a few best practices can help maximize benefits:

Prioritize tools that seamlessly integrate with existing workflows, avoiding disruption and reducing clinician burden.

Ensure these technologies are intuitive and patient–friendly, which can boost engagement and adherence.

Involve clinical staff in the selection and rollout processes; their hands–on insights are invaluable for tailoring tools that truly meet patient needs.

The survey data underscores that technology, when thoughtfully applied, is more than just a support tool—it is a strategic asset that can strengthen patient relationships, facilitate recovery, and improve care outcomes across behavioral health settings.

AI is on the way

The adoption of AI appears to be on the rise, with **17%** of leadership respondents reporting they are already using AI, and **52%** considering or actively planning to implement it. This trend suggests a growing recognition of AI's potential to transform healthcare operations, streamline workflows, and support data–driven decision–making in behavioral health.

AI adoption is increasingly in the works for providers.

Are you currently using or considering implementing AI in your practice?

52%

We are currently using AI

17%

We have plans to implement AI

35%

We are considering implementing AI

17%

We are not considering AI at this time

17%

Not sure

13%

A majority of leaders (**67%**) have a positive to very positive outlook on the use of AI in healthcare, with **30%** feeling neutral. This optimism reflects an appreciation for the tangible benefits AI can bring in areas like patient management, personalized care, and predictive analytics.

For example, AI-enabled tools can help facilities analyze patterns in patient data to anticipate high-risk cases and tailor treatment plans, ultimately improving patient outcomes and enhancing efficiency.

Which of the following best describes your outlook on AI in healthcare?

Very positive

67%

17%

Positive

48%

Neutral

30%

Negative

3%

Very negative

2%
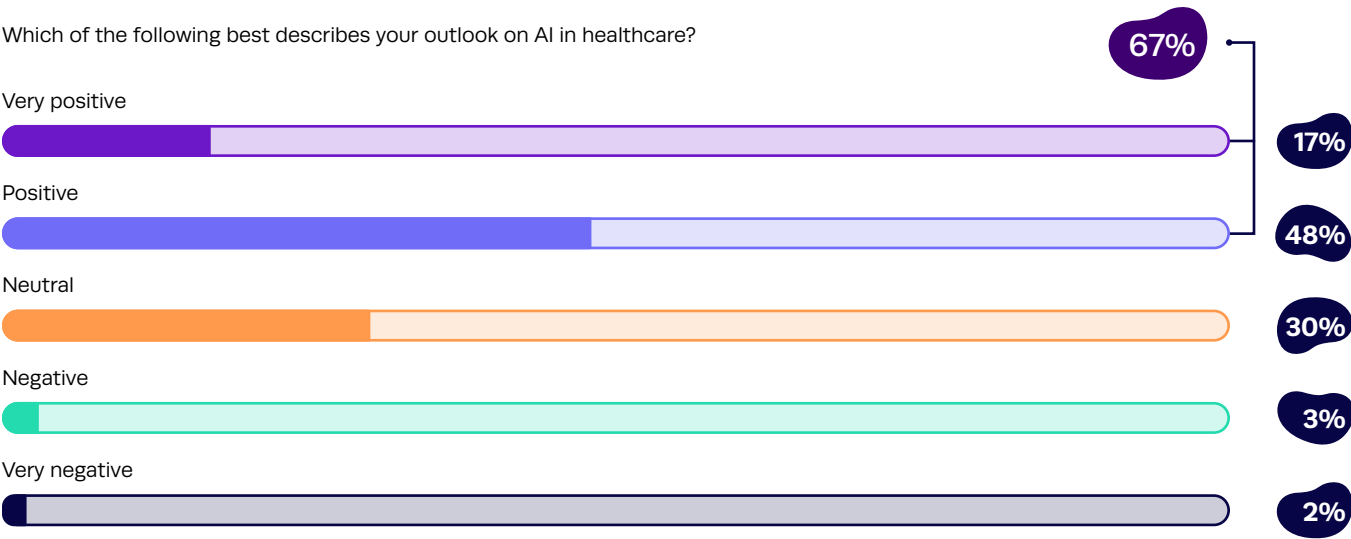
Leaders planning AI integration must address concerns including data privacy, compliance, and ethical considerations to build trust among patients and staff. Educating teams on AI's role and setting clear ethical guidelines is critical to a successful rollout.

This data suggests that while there is significant enthusiasm for AI's benefits, behavioral health leaders recognize the importance of a balanced approach, ensuring AI complements human expertise and adheres to stringent healthcare standards.

Leadership appears optimistic about using AI in practice.

Threats, Challenges, and Opportunities

What's keeping leaders up at night?

Leadership is prioritizing broader concerns around regulatory challenges, competition, and economic pressures over issues like staffing shortages, technology adoption, and market dynamics. This focus highlights the need for a strategic approach to business operations and care delivery, where leaders must navigate and adapt to an evolving healthcare landscape, where regulatory shifts and competitive pressures directly influence long-term sustainability and growth.

Rank what you consider to be the biggest concerns or threats to your business.

1 Regulatory changes

2 Economic conditions

3 Staffing shortages

4 Competition

5 Market conditions

6 Technology adoption

However, when it comes to more immediate, practical challenges, staffing shortages, patient engagement, and technology integration take precedence. These operational issues pose daily obstacles that directly impact service delivery and patient outcomes.

Despite these challenges, leadership expresses confidence in their patient engagement strategies, with **92%** reporting that they are effectively engaging patients. This high level of confidence suggests that, even in the face of staffing and tech-related constraints, many facilities have found reliable ways to connect with patients—whether through dedicated support teams, enhanced telehealth options, or digital engagement tools.

Leaders' biggest challenges.

For behavioral health organizations aiming to strengthen patient engagement further, a few strategies can be instrumental: leveraging patient feedback to refine engagement methods, providing regular training on digital tools for staff, and prioritizing technology that supports seamless patient-provider communication. Leaders should also consider streamlining administrative processes to free up clinicians' time for more direct patient interactions.
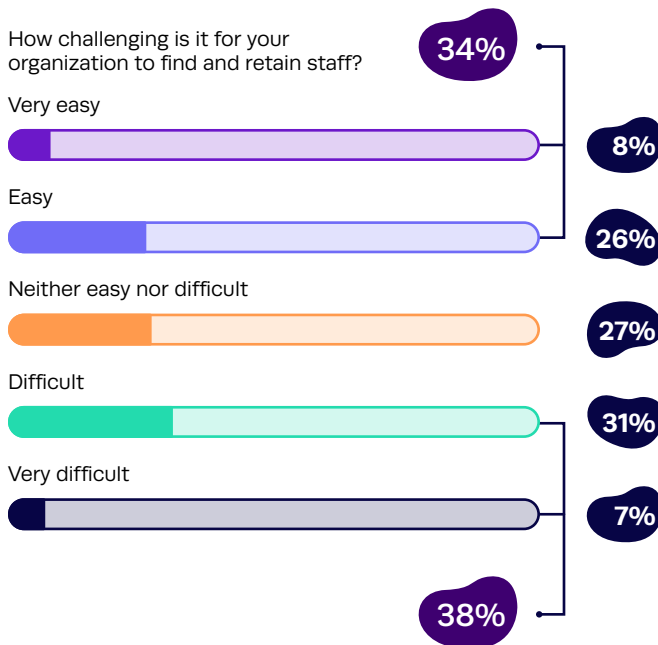
These insights indicate that while leaders remain mindful of the broader regulatory and competitive landscape, their commitment to practical, on-the-ground solutions is helping to bridge current gaps, allowing them to focus on sustainable patient engagement and care continuity.

Staffing

Staffing is a persistent challenge

As highlighted in a previous section, staffing shortages continue to be a top challenge for effective care delivery across behavioral health facilities. Despite this, only a third of leadership (**34%**) feel that finding and retaining staff is easy or very easy. For **27%**, the process is neither easy nor difficult, while the majority (**38%**) report that it remains difficult to very difficult to recruit and maintain a stable workforce.

How leadership responded to "How easy is it for you to find and retain staff?"

How challenging is it for your organization to find and retain staff?

34%

Very easy
8%

Easy
26%

Neither easy nor difficult
27%

Difficult
31%

Very difficult
7%

38%

To address these staffing concerns, leadership is leaning into key retention strategies:

69%
offer professional development opportunities

66%
emphasize a positive workplace culture

65%
prioritize competitive compensation

52%
promote flexible working conditions

These approaches reflect a commitment to fostering an environment that not only attracts talent but also sustains it over the long term.

In today's competitive job market, behavioral health organizations seeking to bolster their staffing efforts might consider further enhancements, such as:

- Promote clear career progression paths can give employees a vision for growth within the organization.

- Emphasize continuous learning through certifications, workshops, and training not only improves staff satisfaction but also contributes to higher quality care—and if you can,

- Fund those development opportunities for staff to increase retention and reduce feelings of burnout.

- Amplify flexibility by offering hybrid work options or adaptable shift patterns, meeting staff needs for work–life balance.
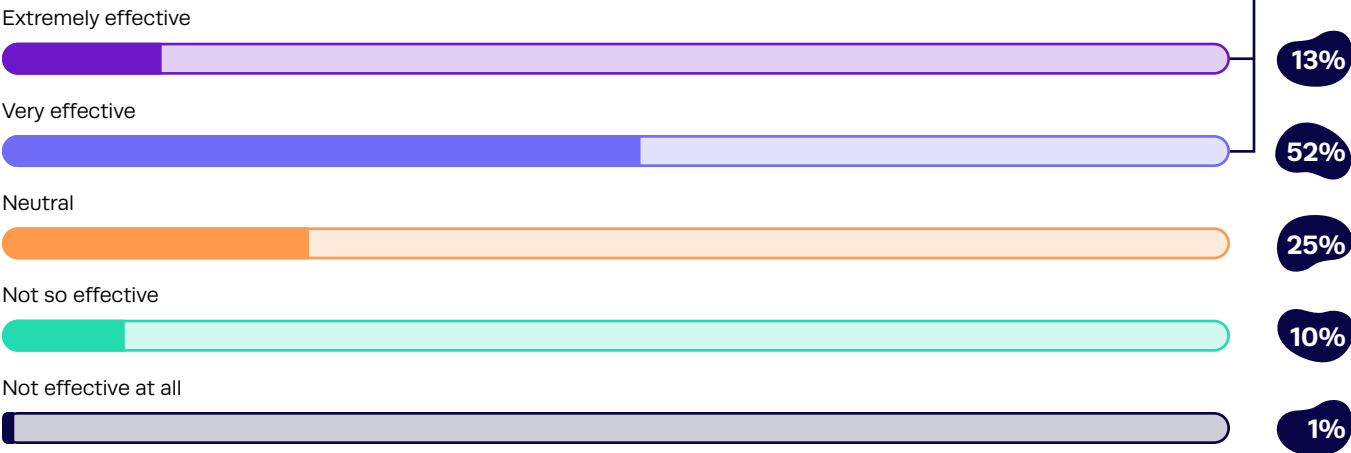
It's also important to put real meaning and value behind the notion of having a positive workplace culture. This goes beyond engagement initiatives; it involves building a supportive environment where staff feel valued and heard. Regular check–ins, staff recognition programs, and open feedback channels can create a sense of belonging, which is critical in high–stress healthcare settings. By consistently investing in these areas, leaders can improve both staff retention and morale, contributing to a more resilient, motivated team capable of delivering high–quality patient care despite staffing challenges.

There's tension between leadership and staff about burnout and development opportunities

The majority of leaders (**65%**) believe they're effectively managing burnout among staff. However, responses from clinical and non–clinical staff suggest this might not fully align with the on–the–ground reality.

Leaders believe they're effectively managing burnout.

How effectively do you think you are managing burnout among your staff?

Extremely effective

13%

Very effective

52%

65%

Neutral

25%

Not so effective

10%

Not effective at all

1%

Clinicians report that administrative burdens, regulatory compliance, time constraints, and compensation are the primary drivers of burnout. A notable concern is the cost of professional development—**38%** of clinicians report paying these expenses themselves, while only **35%** say their organizations cover the costs. Despite these challenges, **46%** of clinicians feel fairly compensated, and 76% are satisfied with their current employer. However, for the **24%** actively seeking new opportunities, work–life balance, salary, workplace culture, and career growth remain significant motivators.

Clinicians face challenges in many areas, all of which contribute to burnout.
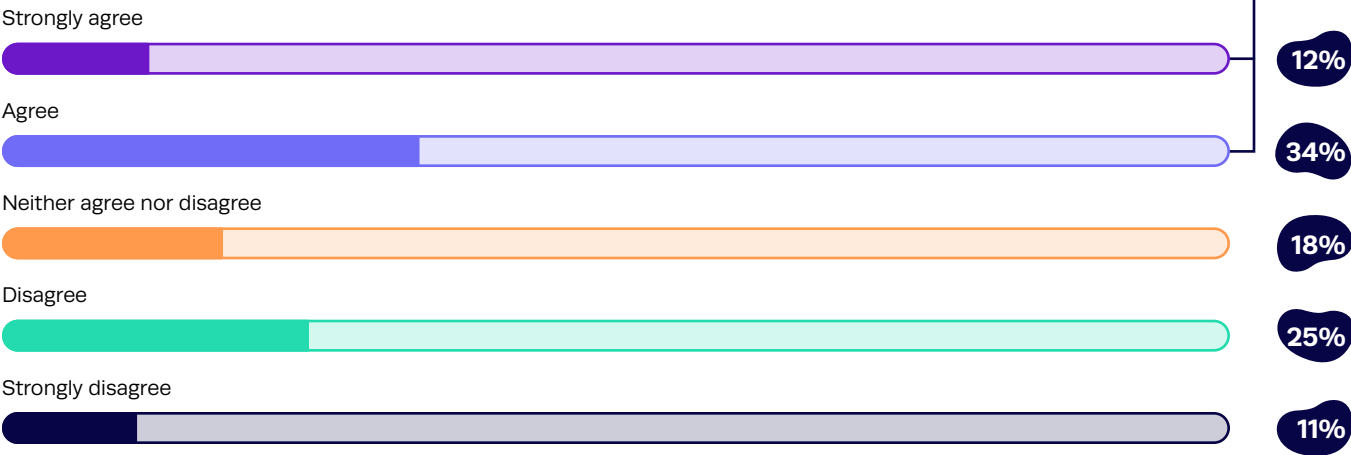
Rank what you consider to be the biggest frustrations in your current role.

1 Administrative burden

2 Regulatory compliance

3 Time constraints

4 Compensation

5 Patient compliance

6 Lack of resources

Despite these concerns, almost half of clinicians (**46%**) do feel that they're fairly compensated for their work, and **76%** are satisfied with their current employer. For the quarter (**24%**) of clinicians who are currently looking for a new job, they report work–life balance, salary, workplace culture, and professional growth opportunities as the main contributing factors for the search.

Clinicians feel they're fairly compensated for their work.

Do you feel that you're fairly compensated for your work?

Strongly agree
46%
12%

Agree
34%

Neither agree nor disagree
18%

Disagree
25%

Strongly disagree
11%

Non–clinical staff face their own frustrations, primarily around technology issues, administrative tasks, lack of support, and communication challenges. Yet, satisfaction remains high among this group, with **89%** content in their current roles. For the **21%** considering new roles, compensation and advancement opportunities are the primary factors.

These insights indicate that while many leaders feel confident about managing burnout, there may be an opportunity to better align support with staff needs—particularly through reducing administrative burdens, addressing professional development costs, and enhancing communication and support systems for non–clinical teams.

Rank what you consider to be the biggest frustrations in your current role.

1 Technology issues

2 Administrative tasks

3 Lack of support or resources

4 Communication challenges

The biggest challenges facing non–clinical staff.

5 Workload/ stress

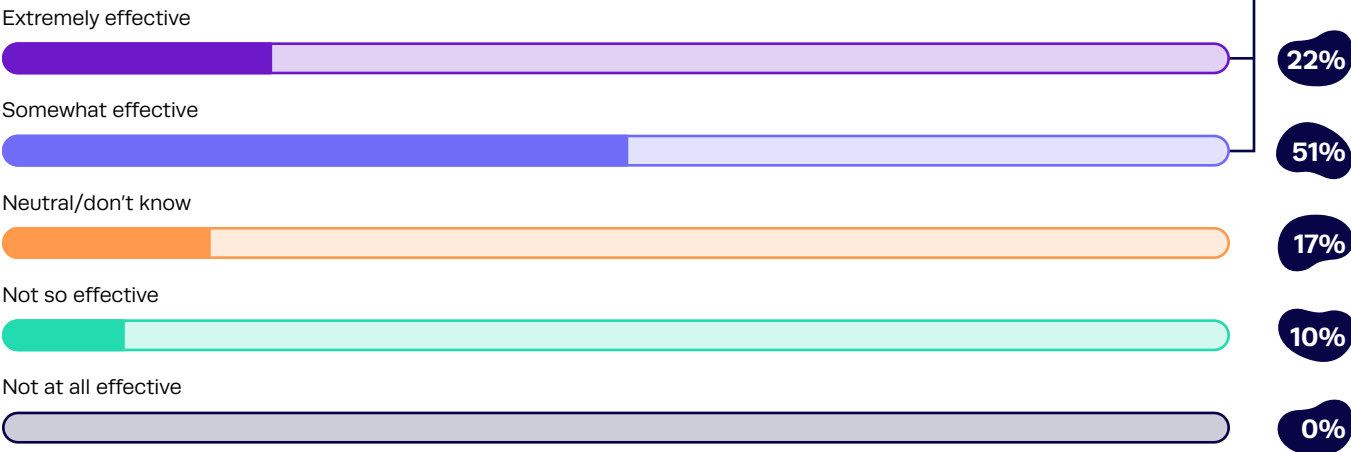6 Workplace culture

7 Regulatory compliance

Business strategy and planning

Leaders feel they're doing well with payers

Most leaders (**73%**) feel confident in their ability to effectively negotiate with payers, a critical skill for maintaining financial stability and securing favorable terms for their facilities. Strong negotiation skills can lead to better reimbursement rates and streamlined billing processes, ultimately benefiting both patients and providers.

Leaders believe they're effectively negotiating with payers.

How effectively can your organization negotiate with payers?

Extremely effective

73%

22%

Somewhat effective

51%

Neutral/don't know

17%

Not so effective

10%

Not at all effective

0%

To enhance this strength, facilities can consider specialized training in payer negotiation for key staff members, equipping them with the latest industry knowledge and tactics. Additionally, leveraging data analytics to present clear, outcome-based justifications during negotiations can help leaders secure terms that better reflect the quality and value of the care provided—and be better prepared to deliver on value-based care needs.

Leaders have plans for growth, but no exit strategy

Of all respondents, only **20%** work for an organization with only one facility. Most respondents (**29%**) are working for organizations with 3–5 facilities.

> *"The multi–location organization supports the growing trend toward integrated behavioral health care, where substance use and mental health services, as well as primary care, are more closely connected,"* shared Sally Abu–moustafa, Kipu's executive vice president of product management.

Leadership is overwhelmingly considering growing their practices; only **15%** of leaders are not currently considering growth. The leading strategy for growth is in expanding service offerings, followed by de novo expansion and merging with or acquiring another business.

Despite the interest in growth, the majority of leadership—**72%**—does not have a planned approach to reduce or eliminate their stakes in their businesses. Mergers and acquisitions, transitioning the business to family, or selling the business outright were the top plans for leaders with an exit strategy.

> *"The fact that 26% of leaders have a strategy outside of passing it to someone in their family reflects that an increasing number of behavioral health leaders are thinking about their practice in business terms, something I think will increase as we see more investment in this market,"* shared Meghan Mouser, Kipu's vice president of product management.

How leaders plan to grow their practice.

How are you considering growing your organization?

15%
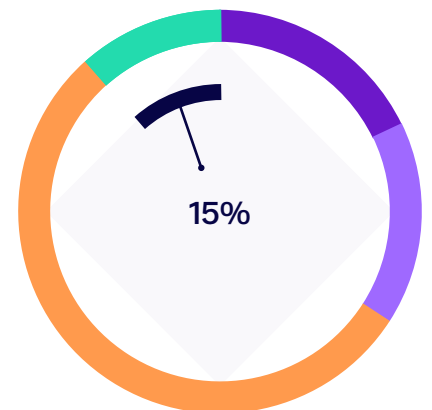
De novo expansion	23%
Mergers and acquisitions	21%
Service expansion	70%
Not considering growth at this time	15%

Leaders have plans and solutions in place for critical needs

To build strong referral networks, leaders are focusing on partnerships with external providers who offer specialized services and implementing referral tracking software to ensure seamless care transitions. This strategy not only expands access to diverse treatment options but also strengthens patient retention by ensuring continuity of care. Leaders may further enhance these networks by holding regular check–ins with referral partners and leveraging data insights from referral software to identify and address any gaps in the referral process.

EMRs and EHRs have almost completely saturated the market, with **81%** of leaders using them to track and measure outcomes. These systems, combined with patient feedback surveys (often embedded within EMRs), provide critical insights into care quality and patient satisfaction. To fully utilize EMR data, facilities might consider integrating advanced analytics to uncover trends and improve treatment protocols based on real–time outcomes.

For compliance and safety, most leaders rely on staff training programs and regular audits, though only **38%** are using compliance management software. Facilities aiming to strengthen their compliance measures could benefit from adopting such software, which provides an added layer of security by automating compliance tracking, reducing risks, and ensuring adherence to regulations.

Interestingly, **61%** of respondents are using or exploring alternative care approaches like psychedelics or holistic care, signaling a shift toward more diverse treatment modalities. Leaders interested in these methods should ensure rigorous training and monitoring, as well as close regulatory compliance, to safely and effectively incorporate these approaches.

How leaders are tracking and measuring outcomes.

How are you tracking and measuring outcomes in your organization?

Electronic health record (EHR) systems
81%

Patient feedback surveys
81%

Quality metrics dashboards
42%

Other
4%

Conclusion

The 2024 Behavioral Health Survey uncovers the critical trends and opportunities that are shaping the future of behavioral health. This report goes beyond simply identifying challenges— it reveals the potential for positive change, highlighting the priorities that will drive growth, innovation, and improved care across the field. Common themes across leadership, clinical, and non–clinical roles include staffing shortages, administrative burdens, and the need for technology upgrades.

Despite these challenges, there is a shared sense of optimism for growth through improved technology, expanded access to care, and a focus on effective outcomes. Moving forward, behavioral health facilities must invest in technology, workforce development, and care access initiatives to improve patient outcomes and operational efficiency. By addressing these key areas, the field can ensure a more sustainable and responsive behavioral health system for the future.

Ready to start—or continue—your growth journey?

Reach out to us today to schedule your growth assessment and learn how Kipu can help you scale.

kipuhealth.com

Carina Edwards is the CEO of Kipu Health, the technology partner for mental health and addiction service providers. Carina is an experienced healthcare technology executive with a proven track record of innovative and dynamic leadership in establishing, growing, and operating private and public companies. Prior to Kipu, she served as the CEO of Quil, a pioneering joint venture between Comcast NBCUniversal and Independence Blue Cross. Her companies have received numerous healthcare industry awards including Best in KLAS, PACT Digital Health Start-Up of the Year, the Gold Stevie Business Award for "Healthcare CEO Innovator of the Year" and she was honored as a "Woman of Distinction" by the Philadelphia Business Journal.

Travis Moon is a seasoned leader in healthcare IT and content marketing, specializing in the behavioral healthcare sector. As a Marketing Content Strategist at Kipu Health, Travis develops impactful, data-driven campaigns that support healthcare professionals and enhance patient outcomes. With over a decade of experience, he has led strategic content initiatives for major healthcare organizations, including the launch of data visualization tools and thought leadership campaigns.

Travis's expertise spans digital marketing, content strategy, and cross-channel storytelling, with a focus on creating narratives that resonate across diverse audiences. His deep understanding of the healthcare IT landscape, combined with a collaborative and human-centered approach, has driven measurable results throughout his career. Travis is dedicated to advancing behavioral health solutions through strategic, engaging content that bridges the gap between technology and patient care.

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