Should I Use Insurance Benefits for Therapy?

When considering therapy, it's completely understandable to want to use your health insurance benefits—after all, it's something you're already paying for. Insurance can make mental health care more financially accessible, which is often a deciding factor for many people. At the same time, it's important to be informed about what using insurance for behavioral health treatment actually involves. This guide outlines both the advantages and potential drawbacks of going through your insurance for therapy, so you can make the decision that best supports your mental health and personal values.

In-Network Benefits

Pros:

- Lower upfront cost
- Insurance handles most billing
- Financial predictability as deductible and copay amounts are known
- Use of a benefit you are already paying for

Cons:

- Insurance requires a formal diagnosis and sometimes additional clinical information to justify ongoing treatment, which becomes part of your permanent medical record
- Limited session numbers or frequency, which may not align with your healing process
- Often less flexibility to explore identity, trauma, or life transitions outside of diagnostic criteria
- Must adhere to insurance guidelines which often restricts treatment methods and pacing of services
- Limited provider choice as your options are restricted to clinicians that are in-network with your particular insurance provider and plan which can limit access to specialization, availability and approach
- Potential for higher long-term costs as in-network may not cover long-term care leading to having to regularly start over with new therapists or transitioning to out-of-network to continue care later

Out-of-Network Providers

Pros:

- Freedom to choose any therapist rather than being limited to in-network only providers
- No need to meet insurance-defined "medical necessity" to get support
- Greater flexibility in how we work together—no restrictions on session topics, frequency, or length of care
- More privacy as less clinical information is shared with insurance (or none if don't submit claims)
- Space to explore your identity, relationships, and mental health at a pace and depth that feels right for you
- Partial reimbursement may be available through out-of-network reimbursement benefits (though a diagnosis is required for this)

Cons:

- Higher upfront cost as you pay the therapist's full fee prior to submitting for reimbursement
- You handle the paperwork if you want to file a claim with insurance for reimbursement after your therapist provides you will a superbill to submit to insurance
- Reimbursement is not guaranteed as benefits are subject to individual plan criteria