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Cain Brothers House Calls



The Kids Aren't Alright: Addressing the Behavioral Health Crisis Among Adolescents and Young Adults

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Health Systems, Private Equity, and the Government: It's Complicated by Erika Haanpaa and David W. Johnson

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Every generation faces its own distinct challenges. Today's tweens, teens, and young adults have experienced a unique and intense array of societal pressures, technological advancements, and once-in-a-generation life-altering events. In this environment, it's likely no surprise that rates of mental and behavioral challenges are increasing for young people while happiness and flourishing are declining.



The U.S. has made significant strides in reducing stigma, recognizing the need, and improving access to behavioral and mental health services; however, care and coverage have lagged. With growing needs, the demand for individualized, age-appropriate care and support continues to outpace supply.

Along with the direct toll on young people and their families, the nation will face significant societal costs long-term if these needs are not better addressed. Fortunately, a number of innovative service providers are stepping up to meet this demand with highly effective and scalable care models.

A Complicated Time to Grow Up

In a recent [podcast](#), New York Times columnist Ezra Klein talked with Jonathan Haidt, author of *The Anxious Generation*, about how differently young people grow up today compared to previous generations. They spend more time with their parents and have less experience with unsupervised play and in-person social interactions. Many are skilled at gaming, social media, and communicating across digital platforms but are less engaged by other activities. They are both more connected and more isolated.

In Haidt's view, the rise of smart phones and social media in the early 2010s shaped our environment and catalyzed the behavioral health challenges that many adolescents face. While others dispute or downplay that explanation, most agree that today's digital ecosystem has powerfully affected attention spans, confidence, autonomy, body-image, and addictive behaviors. In addition, young people also report experiencing significant anxiety over events and forces beyond their control, including climate change, political conflicts, and school shootings.

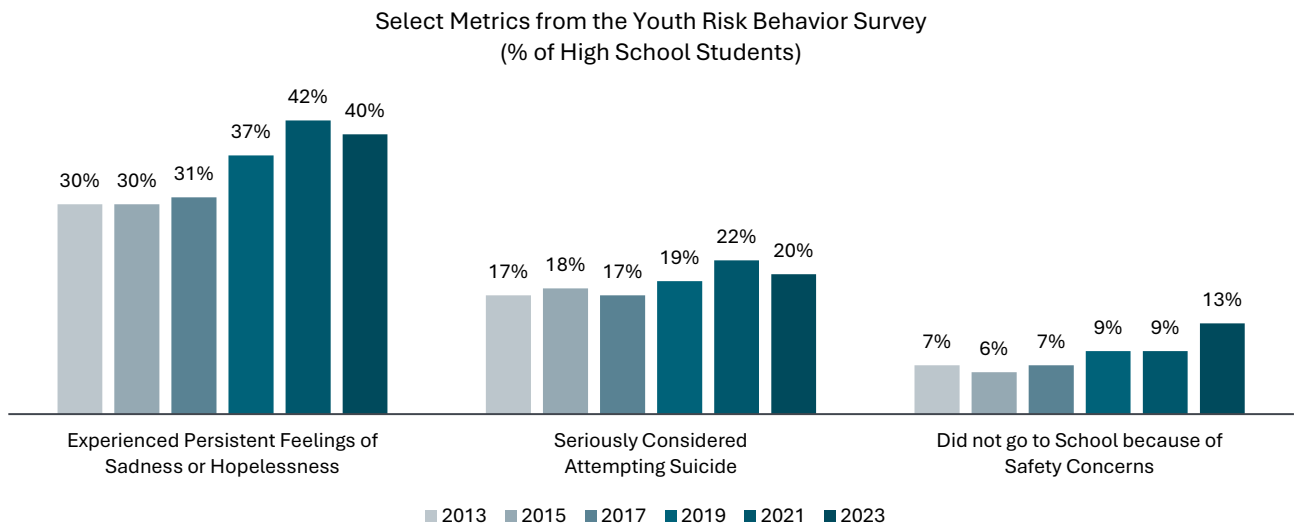
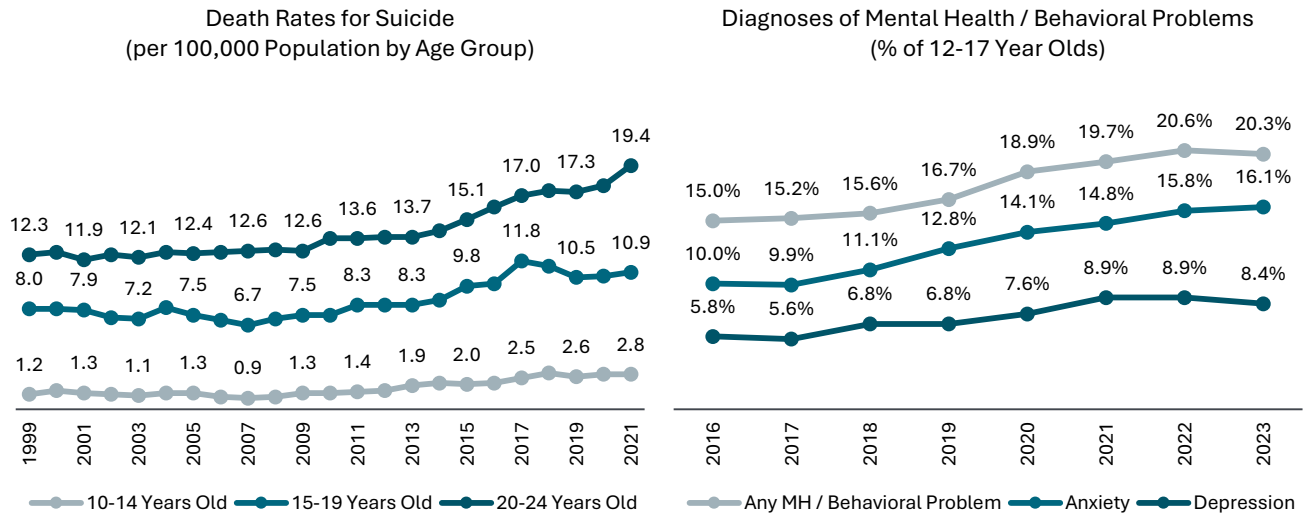
All of these challenges were intensified by the pandemic. The prolonged lockdown deepened isolation and increased reliance on virtual environments and digital devices during a critical phase of child and adolescent development. As Kristin Wilson, Chief Experience Officer of Newport Healthcare, puts it, "In psychology, we talk about Before Covid and After Covid. Since the pandemic, we're not only seeing a change in the intensity of symptomology and behaviors among adolescents but we're also seeing a heightened level of maladaptive coping mechanisms that are really impeding function."

The full impact of the pandemic on development may not be understood for decades. And soon, AI-enabled services, environments and companions will add other unpredictable factors into the mix.

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The Potential Long-term Impact

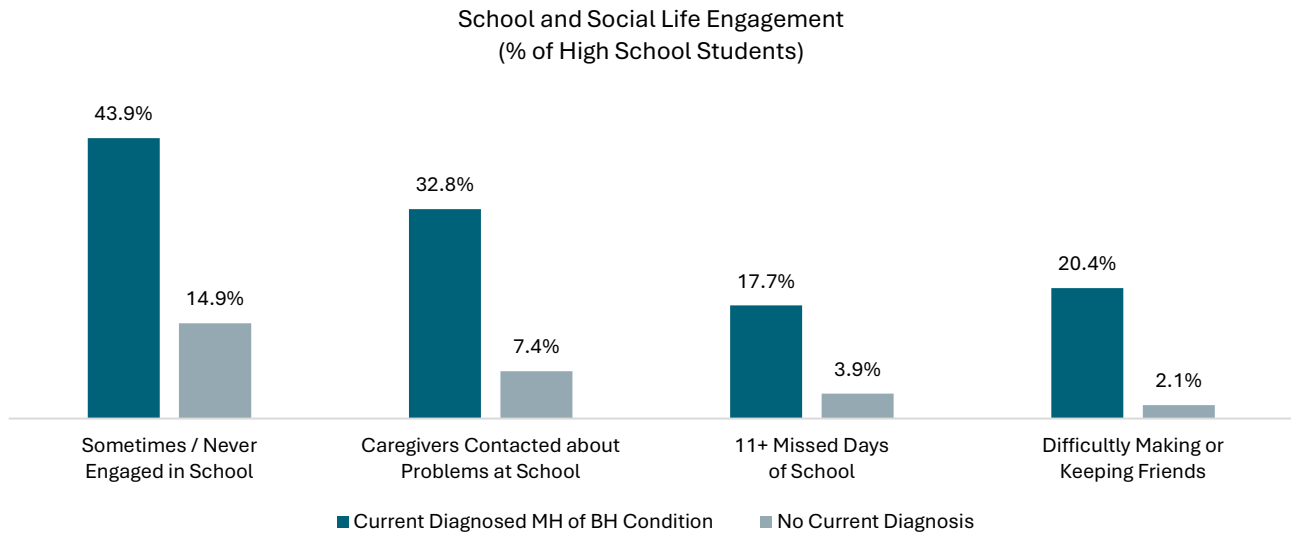
Since the early 2010s, rates of depression, anxiety, self-harm, suicide, and substance use disorders have been climbing among 10- to 20-year-olds. By 2023, more than [20%](#) of adolescents had a diagnosed mental or behavioral health condition, [40%](#) reported persistent feelings of hopelessness and sadness, and [suicide](#) was among the leading causes of death.



Students with mental health and behavioral challenges are also less likely to be engaged in their schoolwork and are more often disruptive and absent. They have greater difficulty making and keeping friends and achieving academic milestones.

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There is growing awareness of the importance of addressing mental health challenges early. Meeting those needs, however, is a problem. According to the National Alliance on Mental Illness, the average delay between onset of symptoms for a mental health condition and treatment is 11 years, and 50% of all lifetime mental illness begins by age 14 with 75% beginning by age 24.



Source: National Survey on Children's Health

Left untreated, mental illnesses can worsen and lead to significant deterioration in physical health, happiness, productivity, socialization, and quality of life. There is also a heightened risk of chronic, preventable physical health comorbidities including diabetes and heart disease.

Though therapists, healthcare workers, educators, parents, and politicians are raising awareness of this alarming crisis, the healthcare system as a whole has not devoted sufficient resources to address these challenges and avoid or reduce their potential lifelong consequences.

Effective models exist to help ease this burden and improve outcomes. Early intervention with evidence-based treatment can reduce symptoms, improve functioning, and decrease the risk of longer-term challenges.

Scaling Behavioral Health Services

In a 2024 [survey](#) of 1400 medical and mental health professionals, more than half said that mental well-being of patients under 18 has worsened significantly since the pandemic. Many cite long waitlists, lack of trained professionals, insufficient resources, costs, and insurance coverage as barriers to access.

It's possible to expand access by broadening the supply of providers, leveraging telehealth, and increasing funding through commercial insurance and Medicaid. But many adolescents require intensive, coordinated outpatient or residential treatment. There is a widespread need for holistic and highly personalized care delivered by quality providers leveraging robust measures and evidence-based practices.

The following organizations exemplify that type of approach and are well-positioned to help address this growing need.

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Altior Healthcare

Altior Healthcare is the parent company of three mental health residential programs operating 19 residential facilities across five states. These include Paradigm Treatment and Ridge RTC, which offer individualized services for teens and young adults in California, Texas, New Hampshire, and Maine; and Patriot Power Up, which serves veterans in Idaho.

The company treats a wide range of primary mental health concerns, such as anxiety, trauma, depression, psychosis, OCD, personality disorders, and attachment disorders. It also manages secondary mental health concerns and common medical comorbidities that can preclude teens from receiving care at other programs. Services include individual and family therapy, medical management, psychiatric evaluations and consultations, 24/7 nursing care, and experiential therapies.

In 2022, more than [570,000](#) emergency department visits for children 17 and under were related to primary diagnoses of mental, behavioral, or neurodevelopmental disorders. Altior's model was developed to help fill the void between outpatient and acute care, particularly for teens and young adults with complex needs. It has done so by delivering fast, affordable, and universal access to quality mental healthcare services across its sub-acute residential treatment programs.

"Ten years ago," Altior CEO Ken Kosza observes, "if a 20-year-old went to an emergency room because of a suicide attempt, they were sent to a residential treatment center after. But the 16-year-old patient would be sent home. Now, we can admit that 16-year-old into residential treatment the same day they are discharged from the hospital."

On average, patients stay with Altior for 30-45 days, after which the company coordinates with local outpatient providers to ensure appropriate discharge and outpatient treatment. While Kosza notes that the industry is in a much better place than previously, access remains a significant challenge. "I'm 100% certain we're on the right path as we see consistently positive and improving outcomes with the patients we are serving. I'm concerned about how far we need to go and how many lives are still on the line."

Health Connect America

Health Connect America (HCA) provides a wide array of services for children, adults, and families across eight states in the Southeastern U.S. The company offers clinical services to address behavioral and mental health needs across home, office, clinic, and virtual settings as well as therapeutic foster care and education services. The majority of its programs are focused on adolescents and young adults.

Kristi Shain, Health Connect America Board Member and former CEO, says that today's crisis in adolescent mental health cuts across all economic classes and increasingly includes multiple diagnoses. "So, it's not just an addiction issue anymore, it's also a co-occurring mental health issue, and it's touching everybody. If you don't deal with it, these kids end up with costly ER visits."

HCA offers a full continuum of care. Its primary service lines include intensive in-home (IIH) and evidence-based Family Centered Treatment (FCT) programs. These programs treat children and adolescents at risk of removal from their homes due to behavioral, mental health and/or substance use challenges. They also serve to reunite families after an out-of-home placement.

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FCT is an evidence-based, trauma-informed model of family therapy that helps families develop functional solutions for maladaptive patterns while promoting resiliency. As Shain notes, “in order to see lasting outcomes, it’s important to treat the entire family with an understanding of their environment.”

Many of HCA’s services are government-funded. Primary referral sources include state-level child services agencies, courts, school counselors, departments of juvenile justice, primary care physicians, and even payor partners. In each of its markets and service lines, the company focuses on delivering strong clinical quality with lasting outcomes.

Given political and regional differences in priorities and coverage, it can be challenging to achieve standardized care across all of its markets. “But we’re trying to be at the front of the pack using evidence-based models that prove we’re making a difference,” Shain says.

Sandstone Care

Sandstone Care was founded in 2015 to help teens and young adults who are struggling with substance use or have mental health treatment needs. The organization offers residential treatment, partial hospitalization and intensive outpatient programs in Colorado, Maryland, Virginia, and Illinois.

Their programs are age specific and very recovery oriented. “It’s not just about decreasing your symptomology or stopping your craving,” says Sandstone Care’s Senior Director of Research & Outcomes, Dr. Antoinette Giedzinska, “it’s about building recovery capital and resiliency by developing effective coping strategies and bolstering what’s working in your life to get back to school or back to your job.”

Halcy Driskell, Director of Behavioral Health, agrees. “We’re trying to generalize those skills beyond what you experience during treatment. Because it feels a lot different when you’re at school or driving and get triggered. So, we’re really trying retrain your brain and your patterns of behavior to handle those everyday things.”

Young people at the residential treatment centers live, eat, and go on excursions together over a 40- to 45-day period while also receiving individual therapy and care team support. The adolescent partial hospitalization program runs five days a week for almost six hours a day. Often, that’s followed by a step down to an intensive outpatient program that operates after school with group work run by a facilitator. There’s also an alumni program and group therapy with families to support positive living environments.

With her background in measurement-based care, Giedzinska was brought on board to help Sandstone psychiatrists, psychotherapists, nurses and techs track patient outcomes and use data and insights in real time to adjust treatment plans. That helps patients feel safe and cared for and provides clinicians with tangible support that boosts their fulfillment and reduces their sense of burden and burnout.

Driskell believes that’s important. “That kind of reliable, valid feedback feels really impactful and powerful because it helps clinicians see the difference they’re making instead of just hoping it was a helpful session. Most of us have never had that before.”

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Newport Healthcare

Founded in 2008, Newport Healthcare provides mental health services for adolescents and young adults. The majority of its patients have depressive disorders and many also have anxiety disorders, PTSD, and/or bipolar disorder. Newport started with residential treatment centers and later expanded its offering to include outpatient care. Today, it operates 73 residential locations and 22 outpatient sites across 12 states.

Newport Academy focuses on teens while Newport Institute focuses on young adults. Patients are able to move seamlessly from higher acuity, residential treatment centers to partial hospitalization, intensive outpatient and traditional outpatient settings.

When Newport Healthcare Chief Experience Officer, Kristin Wilson, was recruited to the organization almost a decade ago, she was sold on the thoughtfulness and impact of the clinical interventions which focus on the underlying trauma and attachment wounds that trigger mental health and co-occurring disorders. "I saw magic happening," she says. After years of expansion and growth, that level of focus on individual interventions remains consistent. "Our team works in a clinically sophisticated model that creates authentic connections with our young people and essentially 'loves them' until they love themselves."

Newport's interdisciplinary care teams include a therapist, family therapist, psychiatrist, and counselor who work collaboratively and with local providers and teachers. Each patient's family is also key. "We require our parents, partners, or caregivers of our patients to participate in our attachment-based family therapy model. Your trauma may have fractured trust in others, but it is through safe, attuned relationships that trust is rebuilt. One moment, one connection at a time." That work includes weekly family therapy sessions, parent group support, and other programming.

Newport also puts a strong emphasis on measures. Clinicians collect data from patients and families at multiple points during treatment to inform individual treatment plans and overall programming, with outcomes illustrating treatment efficacy and sustained results.

Conclusion: Strengthening Adolescent Resilience and Mental Health

The recent television drama, [Adolescence](#), is Netflix's third most popular show ever. Viewers were captivated by the thorough and nuanced examination of a troubled young person through the lens of law enforcement, a psychiatrist, teachers, and caring family members who do not see the crisis in their teenager's mental health until it is too late.¹

Like the character in *Adolescence*, today's young people face unprecedented pressures across many aspects of their lives that affect their development, wellbeing, and mental health. For a significant number, these pressures have led to a complex array of disorders and challenges.

Fortunately, there is less social stigma around mental health today and more awareness of the need for mental health services and support for this once-overlooked age demographic. Youths are more likely to speak up and/or seek help when it is needed, and evidence-based tools exist to help treat them. However, the healthcare industry hasn't yet been able to keep pace with growing demand for access to age-appropriate services.

¹ <https://www.theguardian.com/tv-and-radio/2025/mar/17/adolescence-netflix-powerful-tv-could-save-lives>

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The companies described above have developed robust models with talented teams that succeed clinically and are making a difference. They balance deeply personalized support for each individual patient with the strategic acumen needed to scale and grow their businesses to help address this profound challenge and ensure our young people are not a “lost generation.”

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