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Lawyer sees opportunity in insurance gap for mental health

By Mandy Jackson

A West Hollywood lawyer and psychotherapist is hoping to capitalize on the gap between what the law requires for mental health insurance coverage and what insurance companies and health plans actually provide to patients.

State and federal mental health parity laws require coverage for psychological treatment on par with medical treatment, but - despite some court rulings in their favor - many patients still end up paying for therapy out of their own pockets or giving up altogether.

Meiram Bendat hopes to help patients avoid lengthy battles with their insurance companies with a new service called Psych-Appeal.

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Bendat will work with therapists on responses to utilization reviews, which insurers and health plans use to determine whether they'll cover mental health services. If coverage is denied, Psych-Appeal will refer patients to plaintiffs' lawyers that specialize in class actions against health insurers.

"[Insurers] are tying the hands of clinicians who want to work with the patients, but can't because they don't have the backing of the insurance companies," Bendat said.

In 2006, Bendat took time off from his legal career - he specialized in juvenile dependency and mental health law - to earn a master's degree in clinical psychology from Antioch University. The USC Law School graduate now teaches law and ethics in clinical psychology at Antioch and the New Center for Psychoanalysis in Los Angeles, where he's working on a Ph.D. and is a member of the ethics committee.

Bendat, who is a licensed marriage and family therapist, saw in his own psychotherapy practice how insurance companies and health plans deny coverage for mental health treatment.

"Insurance companies are violating federal and state law left and right and placing both mental health providers and consumers in very tough situations," Bendat said. "People who need ongoing treatment are being put through both unlawful and highly complex utilization review procedures and providers are completely fatigued and unprepared when faced with demands for information in utilization reviews."

Providers may not have to endure such protracted utilization reviews - at least when it comes to eating disorders - if an Aug. 26 decision from the 9th U.S. Circuit Court of Appeals holds. *Jeanene Harlick v. Blue Shield of California*, 2011 DJDAR 13132

A three-judge panel said Jeanene Harlick's treatment for anorexia nervosa at a residential eating disorder treatment facility was medically necessary. The court said California's Mental Health Parity Act required Blue Shield to pay for Harlick's entire nine-month stay.

Blue Shield filed a petition for rehearing and a petition for hearing en banc with the 9th Circuit on Sept. 9.

Scott C. Glovsky of the Law Offices of Scott C. Glovsky in Pasadena, who is litigating a class action lawsuit in California against Kaiser Foundation Health Plan Inc. over coverage of behavioral therapy for autism patients, said health care providers and patients are intimidated by utilization reviews.

"The real benefit of what [Bendat] is doing is that he is arming the patients and the providers with the tools to wage this battle," he said.