

RULING MAY BROADEN INSURANCE PLANS' COVERAGE FOR MENTAL ILLNESS

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Aug. 28, 2011: A Northern California woman's treatment for anorexia at a residential facility was medically necessary and must be covered by her healthcare plan, a federal appeals court has ruled in a case that could lead to more extensive benefits for those being treated for mental illnesses.

Jeanene Harlick's policy with Blue Shield of California specifically excluded coverage for residential care, the room and board expenses she incurred while at the Castlewood Treatment Center in Missouri for 10 months beginning in April 2006.

But the state Mental Health Parity Act obliges insurers to provide the same coverage for severe mental disorders as they do for physical ailments, a three-judge panel of the U.S. 9th Circuit Court of Appeals said Friday.

Harlick, 37, has struggled with anorexia for more than 20 years, the court noted. The judges said her doctors recommended the Missouri program when her body weight fell below 65% of ideal, a precarious condition that required insertion of a feeding tube within a month of her arrival at Castlewood.

Under the mental health parity law, insurance plans "must provide coverage of all 'medically necessary treatment' for nine enumerated 'severe mental illnesses,' " the court said, listing eating disorders as well as schizophrenia, schizoaffective disorder, bipolar disorder, major depression, obsessive-compulsive disorder, panic disorder, autism, and serious emotional disturbances in children and adolescents.

Steve Shivinsky, Blue Shield of California vice president for corporate communications, said the company was still reviewing the appeals court ruling and couldn't yet say what consequences it could have for Blue Shield or its 3.4 million policyholders in the state.

Harlick's attorney, Lisa Kantor of Northridge, said the ruling could have huge significance for those with eating disorders as well as emotional disturbances like Asperger syndrome and autism.

The ruling may not have immediate effect, though, because Blue Shield could petition the court for a full 11-judge rehearing of the case or ask the U.S. Supreme Court to review it.