



Mental Health Parity Lawsuit Moves Forward

A federal district court in Washington has denied a health insurance company's motion to dismiss a claim alleging multiple violations of the Mental Health Parity and Addiction Equity Act (MHPAEA) and, therefore, the plaintiff's claims may proceed.

The plaintiff had health insurance coverage under her employer's ERISA-governed group health plan. The plaintiff's daughter was a covered dependent under the plan who was admitted to a residential treatment center for various mental disorders. There, she ran up a medical bill in excess of \$100,000. When the claim for the residential treatment center was submitted to the health insurance company, it was denied as being not medically necessary.

After two rounds of internal appeals and an independent review by an external review agency, all affirming the health insurance company's denial of coverage, the plaintiff filed this action alleging that the denial of coverage violated the MHPAEA. The MHPAEA forbids group health plans from imposing more

restrictive treatment limitations for mental health or substance abuse disorder benefits than for medical or surgical benefits. To demonstrate that a MHPAEA violation has occurred, a plaintiff must show that: (1) the relevant group health plan is subject to the MHPAEA; (2) the plan provides both medical/surgical benefits and mental health or substance abuse disorder benefits; (3) the plan includes a treatment limitation for mental health or substance abuse disorder benefits that is more restrictive than for medical/surgical benefits; and (4) the mental health or substance abuse disorder benefit being limited is in the same classification as the medical/surgical benefit to which it is being compared.

Here, the court concluded that the plaintiff has adequately pled MHPAEA violations. According to the plaintiff's complaint, "the terms of the plan and the medical necessity criteria utilized by the [health insurance company], as written or in operation ... limit coverage for mental health treatment more stringently than for analogous medical/surgical treatment." Specifically, the court noted, plaintiff has pled "at least five different MHPAEA violations" that generally concern the health insurance company's use of InterQual medical necessity criteria, and its requirement of acute symptoms for sub-acute mental health residential treatment, which the health insurance company does not require for medical/surgical treatment at analogous facilities.

The health insurance company argued that other courts outside the Ninth Circuit have dismissed complaints based on similar facts, including the use of medical necessity criteria developed by third party InterQual. The court rejected this argument, noting that cases outside the Ninth Circuit are neither persuasive nor binding.

For these reasons, the health insurance company's motion to dismiss the MHPAEA claims was denied.

[Full text of K.K. v. Premera Blue Cross, C21-1611-JCC \(W.D. Wash. May 27, 2022\) \(Casetext.com\)](#)

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