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Battle for benefits rages on

■ Patients, families leading fight for mental health parity in insurance industry

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Staff Writer

Susan Mikolic understands how mental illness can alter and even destroy lives.

Each of the four members of her family has battled mental illnesses and struggled financially to pay for treatment that insurance would not cover.

She remembers her frustration as she saw one of her two sons huddled in a corner, crying and shaking, his symptoms overwhelming him.

She remembers how helpless and fragmented her own life felt while battling depression.

Mikolic says there are too many families or individuals who struggle to pay for mental health treatment or avoid seeking it altogether because their insurance company offers only limited mental health benefits or won't provide any.

Proposed federal and state legislation could offer at least partial relief.

The concept of full mental health parity requires an insurance company to offer the same type of mental health benefits as it would for physical ailments.

Critics say the idea is another expensive government mandate, and one that would drive up the costs of insurance.

Jeff Forman/News-Herald

Sue Mikolic of Eastlake is seeking parity from insurance companies for mental health coverage.

The Mikolics' struggle

Twelve years ago, Mikolic's son Matthew, now 17, was diagnosed with bipolar disorder. Soon after, her son Brian, now 15, was diagnosed with the same illness.

Susan and her husband, Donald, followed their family's unfortunate trend with a depression diagnosis.

At the high point of their illnesses, just a few years ago, Susan was spending nearly 40 hours a week shuffling herself and family to doctor appointments.

Her children were missing about 60 days of school per year.

She vowed to make sure they would get the necessary treatment, regardless of cost.

But the family's insurance at the time only allowed limited coverage and had lifetime caps for their mental illnesses. They spent $500 a week, racked up credit-card debt and took out three home equity loans to pay for treatment. Over time, they spent more than $300,000 out of their pockets.

In 1999, the struggle became so overwhelming and time-consuming that Mikolic quit her job as a registered nurse. She simply couldn't do it anymore.

And because the Mikolics were swimming in so much debt, the family was forced to sell their Willoughby home.

The stress, illnesses and financial hardships nearly ended the couple's marriage.

Federal parity?

In 1996, Congress enacted the Mental Health Parity Act, which is limited in scope and does not compel insurers to provide full-parity coverage.

For group plans that offer mental health benefits, the MHPA requires parity only for annual and lifetime dollar limits on coverage.

Group plans still may impose more restrictive treatment limitations and cost-sharing requirements on mental health coverage.

Twenty-one states have passed laws mandating full-parity mental health coverage. Other states have enacted legislation that requires health plans to provide certain specified mental health benefits, but not full parity. However, employers who have self-insured plans (i.e., the employers pay physicians and hospitals directly) are not bound by state insurance regulations.

Congress recently extended the MHPA through Dec. 31. Full-parity legislation was first introduced in the 107th Congress, but it failed to pass.

The 108th Congress bill, House Resolution 953, was introduced by U.S. Rep. Patrick Kennedy, D-R.I., and had nearly 250 co-sponsors, including U.S. Rep. Steven C. LaTourette, R-Concord Township.

Kennedy reintroduced his bill, House Resolution 1402, on March 17. He has six co-sponsors.

On April 29, 2002, in a speech on mental health care during which he announced the formation of the New Freedom Commission on Mental Health, President Bush urged Congress to enact legislation that would provide full parity in the health insurance coverage of mental and physical illnesses.

The president identified what he called unfair treatment limitations placed on mental health benefits as a major barrier to mental health care.

Historically, private health insurers have provided less coverage of mental illnesses, compared with other medical conditions.

For example, health plans have imposed lower annual or lifetime dollar limits on mental health coverage, limited treatment of mental health illnesses by covering fewer hospital days and outpatient office visits, and increased cost sharing for mental health care services.

Under full parity, a plan must use the same treatment limitations and financial requirements in its mental health coverage as it does in its medical and surgical coverage.

Patient advocacy groups and health care provider organizations that support mental health parity argue that there is no longer any scientific justification for discrimination in mental health coverage, which they believe only reinforces the stigma that many in society attach to mental illness.

Their efforts to combat discrimination received a boost with the release of the 1999 Surgeon General's Report on Mental Health.

The report reviewed the extensive scientific literature on mental health and concluded that mental illnesses were largely biologically based disorders, just like many other medical conditions.

It also found that the efficacy of mental health treatments is well-documented, and that effective treatments exist for most mental disorders.

Proponents of mental health parity highlight the high costs to society of untreated and undertreated mental illness.

The Substance Abuse and Mental Health Services Administration estimated that the total economic cost of mental illness in 1994 was $204.4 billion, mostly in direct treatment and lost productivity.

Employer and health insurance associations oppose parity legislation because of concerns that it will drive up costs. But parity supporters refute those claims, pointing to recent studies that indicate full parity can be implemented without substantial cost increases within the context of comprehensively managed behavioral health care.

Law under debate

Ohio is one of only 16 states with no statewide mental health parity laws.

State Sen. Robert Spada, R-North Royalton, has proposed legislation to address the issue.

The measure, Senate Bill 116, would require all health insurance companies that offer basic health care coverage to also provide coverage for mental illnesses.

Specifically, the proposed law would prohibit discrimination in the coverage provided for the diagnosis and treatment of biologically based mental illnesses, which include schizophrenia, schizoaffective disorder, major depressive disorder, bipolar disorder, paranoia and other psychotic disorders, obsessive-compulsive disorder and panic disorder.

The measure has bipartisan support from Senate co-sponsors Eric Fingerhut, D-Shaker Heights, and Liberty Township Democrat Marc Dann, who represents Ashtabula and Trumbull counties.

"It's an issue that needs to be addressed, and I know a lot of folks who have family and friends that have individuals who have had chemical imbalances," Spada said.

"The more we learn about mental health issues, it's an illness like coronary disease or other kinds of physical ailments, but because it's in the mind, people don't think of it like that."

It's not the first time, though, that a mental health parity bill has been introduced in Ohio.

SB 116 was introduced and failed in the 125th Session of the Ohio General Assembly, which ended in December.

Spada acknowledges there's strong opposition for any government mandates for health insurance or other kinds of insurance.

But the state senator said his legislation provides a business-friendly option.

"We have a provision in the bill, if your costs go up more than 1 percent, then you don't have to do it. We think it will not greatly increase health insurance premiums," Spada said.

He said when people are treated properly for mental illness, they can get back to work, pay their taxes and contribute productively to society.

"A lot of famous people are productive citizens once they receive medication," he said.

A similar bill, House Bill 180, has been introduced in the Ohio House of Representatives.

SB 116 was referred to the Senate's Insurance Commerce and Labor Committee, where testimony is ongoing.

Watching the debate

The Ohio Association of Health Plans is a Columbus-based statewide trade association that is closely watching Spada's legislation and is involved in discussions surrounding the bill, said Kelly McGivern, the association's president.

Her association represents health insurance companies that provide health care benefits for 6 million people.

"We not opposed to the treatment of mental health, we are opposed to government mandating what type of benefits employers must purchase," McGivern said.

"All of our members provide benefits for mental health services, some are very rich, it depends on what an individual or employer can purchase financially or what they want to purchase based on their health needs."

The association opposed the last attempt at a statewide mental health parity law, she said.

"Our testimony focused on specific problems with the language and our philosophy," McGivern said.

One way or another

Treatment for mental illnes usually is paid for in one way o another, said Carole Jazbec, exec utive director of the Lake County chapter of the National Alliance for the Mentally Ill.

"If you think about peopl that don't have insurance, they go into the public system," she said.

Jazbec said her research show the cost for equal treatment i Ohio breaks down to about cents a day, or $1.27 per enrolle per month, or a maximum 1 per cent increase.

She notes that Spada's bill lim its increases to 1 percent, and i they are higher, the plan i exempt.

Dr. Curt Bertschinger, Lak County's chief clinical officer said the concept of treating mental illness as part of one' overall health has evolved as the medical community's focus i increasingly leaning toward holistic approach for the entir body.

After years of treatment, eac member of Mikolic's family i recovering from their mental ill nesses.

Her children are poised t graduate.

Based on her experiences, an to help others, Mikolic started he own mental health educationa consulting business, throug which she frequently makes pub lic speeches about mental healt parity.

Now living in Eastlake, wit her marriage back on the righ track, she wonders how life ma have been different for her famil during the past decade if the law had been different.