

**A MICHIGAN SURVEY OF OVER 350 INDIVIDUALS' EXPERIENCES  
WITH MENTAL HEALTH INSURANCE COVERAGE**

**MENTAL HEALTH ASSOCIATION IN MICHIGAN**

**A United Way-Supported Agency Affiliated with Mental Health America**

**December 2016**

**Supported by Grants from the Ethel & James Flinn Foundation (Detroit)  
& the Rollin M. Gerstacker Foundation (Midland)**

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## EXECUTIVE SUMMARY

In follow-up to a 2014 parity coverage analysis of 88 Michigan individual insurance policies (which yielded several findings of concern), the Mental Health Association in Michigan (MHAM) surveyed over 350 people regarding their experiences with mental health-related insurance coverage.

Just over 300 respondents indicated they had attempted to use insurance coverage for mental health-related assistance. Of these, 169 (56%) indicated they had encountered one or more limiting factors when trying to so use their insurance. Chief problems were: outpatient limits; unaffordability; requested service not covered; medication limits; and inpatient limits.

Additionally, 79% of those experiencing coverage limitations did not receive written explanations of them. And, while it wasn't possible to draw conclusions about number of appeals filed and their outcome, two-thirds of respondents said they had not received information from their insurers about appeal rights or how to file one.

Although the federal government and Michigan acknowledge more has to be done regarding parity oversight and enforcement, there is a long way to go in this regard. Perhaps the most critical unresolved problem is that, in many cases, everyday citizens have no chance of calculating whether a plan/policy might be in violation of federal parity requirements. Further, it is time for Michigan to stop using a model "benchmark" plan for federally-required essential health benefits that does not, per the state's own admission, meet federal parity regulations.

## INTRODUCTION

In 2014, when federal mental health insurance parity laws and rules took full effect in the U.S., the Mental Health Association in Michigan (MHAM) analyzed 88 individual insurance policies in Michigan (62 within the federal health insurance marketplace and 26 outside it) for how they reported coverage of mental health-related conditions.

Our analysis concluded that these policies in many cases were violating the spirit, if not technical law and rule, of the federal requirements for parity. (The report is available via the MHAM website – [www.mha-mi.com](http://www.mha-mi.com).)

As a follow-up, MHAM in 2015-16, initiated a survey of individual citizens to learn more about their experiences with mental health-related insurance coverage.

A survey instrument was developed, field-tested with 25 persons who had received mental health services, and revised based on their feedback. The final instrument was electronically posted as a "survey monkey." The existence of the electronic survey was promoted through multiple means, and hard copies of the survey were

mailed to various entities, such as Community Mental Health programs and consumer clubhouses and drop-in centers.

A total of 353 survey responses were received. (A copy of the survey is provided in Appendix A.) Key issues covered in the survey were whether respondents had used their insurance coverage for mental health-related assistance; what problems had been encountered vis-à-vis mental health coverage; whether written explanations of denials had been provided to individuals; and respondent experience with appeals of coverage denials.

## **RESULTS**

### **1. Respondent Age**

Virtually all respondents were over age 18. Three of the 353 total respondents indicated they were under 18.

### **2. Responding on Whose Behalf**

There were 351 total responses. Sixty-eight percent said they were answering about their own insurance coverage; 27% were helping another adult answer about his/her insurance; and 5% were helping someone under age 18 to answer.

### **3. How Survey Was Encountered**

There were 347 total responses. Sixty-four percent said a link to the survey had been e-mailed to them. Four percent found the survey on MHAM's website or MHAM social media, while 14% found it on other organizations' websites or social media. For 13%, the survey (or word of it) had been passed on by someone else, and 5% checked "Other." Some of the responses to "Other" were "received via postal-mail," while the remainder could have gone in the previous sub-category (passed on by someone else).

### **4. Name of Insurance Policy I**

Over 230 names were written in. The most common were plans related to Blue Cross Blue Shield (BCBS), with 125 mentions. Among the other most common entries were Priority Health (35), Medicare (25), and Medicaid (20).

### **5. Type of Insurance through Policy I**

There were 313 total responses. Twenty-one percent checked off Medicaid, and 2% indicated Healthy Michigan Plan, which is Medicaid. (This response option was included because some respondents might not have known that their Healthy Michigan Plan coverage is Medicaid.) Eighteen percent indicated their insurance

was Medicare. Five percent said they did not know their type of insurance coverage, and 54% indicated their type of coverage was none of the above.

#### 6. Name of Insurance Policy II

Few respondents wrote in any name(s) here.

#### 7. Type of Insurance through Policy II

There were 298 total responses. The most predominant was “I don’t have a second insurance,” with 68% checking this. Twelve percent checked Medicaid (including one person indicating Healthy Michigan Plan), 5% checked Medicare, 3% said they didn’t know, and 12% said “None of these.”

#### 8. Using Insurance for Mental Health-Related Conditions

There were 301 responses on ever trying to use insurance for help with mental illness, substance use disorder, or intellectual/developmental disability. Two-thirds (67%) said that they or the person they were helping respond had tried to do so. One-third (33%) said they had not. Those who indicated Yes were directed to answer the next five items, while those responding No were instructed to skip to Question #14.

#### 9. Which Insurance Policy Used to Seek Mental Health-Related Assistance

There were 193 total responses. Seventy-five percent indicated Insurance Policy I, 24% said both Insurance Policy I and II, and 1% checked Insurance Policy II.

#### 10. Problems Encountered in Trying to Use Insurance for Mental Health

Respondents were given eight options and instructed they could check as many that applied. A total of 169 people selected at least one option. The items and the responses for each were:

\*Requested service not covered (59 respondents)

\*Limits on medications a doctor can prescribe (44)

\*Limits on outpatient visits (92)

\*Limits on hospital stays (33)

\*Limits on residential care stays (2)

\*I would have to pay more than I can afford (66)

\*Limits on service visits to home (20)

\*Limits on mental health-related emergency room visits (17)

In sum, 169 of those who answered Yes to Question #8 (56%) had encountered at least one limiting problem when trying to use their insurance for mental health-related assistance. The average number of reported limitations per respondent was two. The five most common problems were: Outpatient Limits (54%); Unaffordability (39%); Requested Service Not Covered (35%); Medication Limits (26%); and Hospital Stay Limits (20%).

We crossed-checked limiting problems with the names of insurers entered for Question #4. Given that BCBS had been entered as Insurance Policy I much more than any other insurer, it was no surprise that BCBS figured in more limiting problems than any other insurer. Similarly, the next most connections to problems were, respectively, for Priority Health, Medicaid, and Medicare; after BCBS, these had been entered most often for Question #4.

#### 11. Reason Provided in Writing for Limiting Factors

Of 166 total respondents, 79% said they had not received reasons in writing for any limitation(s) on mental health-related coverage. Twenty-one percent of respondents said they had been given a written explanation.

#### 12. Filing an Appeal After Encountering Any Limitation(s)

There were 163 total responses. Of these, 85% said they had not filed an appeal, while 15% indicated they had.

#### 13. Response to Appeal

There were 107 total responses, far higher than the number (24) who said in the previous question that they had appealed. One or both of these questions (or our instructions) were apparently not well enough understood by respondents. Among the 107 answering this particular question, 18% said they were satisfied with an insurer's "appeal" response, while 82% were not satisfied.

#### 14. Receipt of Info on Appeal Rights and How to File

All respondents were asked to answer this item. There were 256 total responses. Of these, 33% said they had received insurer information on appeal rights and how to file, while 67% indicated they had not.

## DISCUSSION

Among 353 total survey respondents, 301 said they had tried to use their insurance for mental health-related assistance. Of those who had tried to so use their insurance, 56% had encountered one or more limiting problems, with an average of two problems per respondent. Of eight limitations respondents could pick, the five most cited were: outpatient limits; would have to pay more than can afford; requested service not covered; medication limits; and inpatient limits.

While this survey did not attempt to ascertain when limiting factors were encountered, the above finding, when coupled with the results of our 2014 analysis of individual insurance policies in Michigan, is troubling. Even in the unlikely event that all limiting factors were encountered before 2014, our findings from that year, and the incredible difficulty citizens have in confronting highly complex federal parity rules, make it likely that problems would remain post-2013.

We note that a Presidential Task Force on Mental Health & Substance Use Disorder Parity released a report October 2016 designed to:

- \*Increase awareness of the protections that parity provides.
- \*Improve understanding of parity requirements/protections among stakeholders.
- \*Increase transparency of the compliance process and methods, along with improving monitoring and enforcement.

Having read the new Task Force report and recommendations, it is questionable whether the most pressing problem with federal parity law and rules will be resolved – i.e., how can/does a citizen reasonably know, within the confines of insurance information and expenditures generally available to the public, if his/her coverage is technically in violation of parity compliance?<sup>1</sup>

We further note that Michigan's Department of Insurance and Financial Services (DIFS) recently received four federal grants, totaling \$1.3 million, for "parity enforcement and consumer protections." According to the federal Center for Consumer Information & Oversight, the grants will enable Michigan to:

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<sup>1</sup> We asked a federal official in August 2016 if negative differences for mental health outpatient visits compared to primary outpatient visits would constitute a technical parity violation. We were told one would have to "get out a pen or pencil" and start doing complex formulaic financial computations per federal parity rules.

\*Enhance its form review process for prescription drug benefits, hire a pharmacist for consultative assistance, and engage in other steps to assure prescription drug benefits are not handled in a discriminatory manner.<sup>2</sup>

\*Evaluate the current forms review process for preventive benefits in the individual, small, and large group markets.

\*Educate the public about external review options and complaint rights.

\*Research the impact of parity on mental health and substance use disorder benefits coverage and how these are measured against medical benefits; identify and provide direction to insurers having difficulty with parity compliance.

We also note, however, that Michigan has informed the federal government that Priority Health HMO will once again be the state's "benchmark" plan for essential health benefits in 2017. Yet the DIFS website (last visited by us 11-28-16), in showing this plan along with others considered for the benchmark status, indicates that the Priority Health HMO benefits for Mental/Behavioral Health and Substance Use Disorder (inpatient and outpatient for each) "**must be supplemented**" (emphasis per DIFS). This raises the question of whether Michigan is and has been using a benchmark plan that fails to meet base parity requirements.<sup>3</sup>

Another troubling finding was that only 21% of respondents claimed to receive in writing an explanation for the mental health-related insurance limitations they encountered. Again, we don't know the times when problems were encountered, but federal law/rules require written explanation. It is, of course, possible that some respondents received an explanation in writing, but didn't recognize or remember it. To whatever degree this may have happened, it calls into question the quality and specificity of written reasons for coverage limitations.

The final finding of concern dealt with provision of information on appeal rights and how to file them. Of 256 respondents, 67% said their insurer(s) had not provided such information. Once again, this may represent some lack of recognition or memory, but the quality of appeals information isn't known.

We asked two other questions about appeals, but the results on these didn't mesh with each other. Of 163 respondents, 15% said they had appealed a coverage limitation. That a minority of individuals would file appeals is not unexpected. But then only that minority should have answered the next question, on satisfaction

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<sup>2</sup> Prescription drug coverage was found to be an area of concern in our 2014 analysis.

<sup>3</sup> Governor Snyder wrote the federal government June 29 2015, announcing Michigan's benchmark plan for 2017. He indicated the plan would be supplemented for pediatric dental and pediatric vision. The letter said nothing about supplementation of behavioral health.



with insurer response to an appeal. Only 24 respondents said they had appealed, but 107 people responded to the question about satisfaction with appeal outcome. (Over 80% on the latter question indicated dissatisfaction.) We did not define “appeal” in the survey; perhaps there were varying interpretations of what that word meant. It is also possible that our instructions weren’t clear enough on who should answer the second of the two questions. Further, some respondents, nearing the end of the survey instrument, were perhaps too hasty in wanting to complete the remaining items.

## CONCLUSIONS

It appears that much work still needs to be done to make mental health-related insurance parity a reality.

Federal law/rule in many cases are too complicated for everyday citizens to know whether an insurance policy may have technically violated parity requirements. And there is no way for everyday citizens to possess the wide range of insurer financial information often necessary to calculate whether potential violations have occurred. The recent report and recommendations from the President’s Parity Task Force do not deal satisfactorily with that most essential and pressing issue.

Additionally, Michigan monitoring and enforcement by DIFS must be more vigilant and aggressive. This not only applies to plan/policy compliance, but also to the issues of understandable written explanations for coverage denial and timely, understandable written information on appeal processes and how to access them.

That DIFS has recently procured federal enforcement/compliance grants is a positive step. However, DIFS’ continued use of a model benchmark plan (for essential health care benefits under federal requirements) that “**must be supplemented**” (DIFS’ words and emphasis) is not. Should the essential benefits concept from the Affordable Care Act (ACA) remain in place as Congress reviews the ACA, it is time for Michigan to have a model benchmark plan that fully meets mental health-related parity requirements and does not have to be “supplemented” because it is deficient regarding parity.

That the nation has parity “on paper” is the first step in fulfilling a long-held dream of many in the mental health community. But if we can’t move from “on paper” to “actuality,” what we have gained to date becomes a symbolic, but Pyrrhic, victory.

## APPENDIX A

### Survey on Mental Health-Related Insurance Experiences The Mental Health Association in Michigan

Since the start of 2014, United States law has required that insurers cover mental health conditions (mental illness, substance use, intellectual or developmental disability) in a way that is equal to how the insurers cover other medical problems. Your experiences will be very helpful in looking at what's happening in Michigan when it comes to mental health-related insurance coverage. Thank you for your assistance.

1. Are you 18 years or older?

Yes. Please continue, or if you need help, feel free to ask another adult for help.

No. Please ask someone 18 or over to help you.

2. I am:

Answering about my own insurance coverage

Helping someone under 18 answer about their insurance

Helping another adult answer about their insurance

3. How did you hear about this survey?

A link was e-mailed to me

Found on MHAM's website or MHAM's social media

Found on another organization's website or social media

Word of mouth or survey was forwarded to me

Other (Please specify) \_\_\_\_\_

**You may have more than one kind of health insurance. Fill out the questions for each type of health insurance separately.**

4. Please look at your insurance card to be sure your answer is accurate. But, even if you do not have your insurance card, please continue with the survey.

#### **Insurance Policy 1**

What is the name of the insurer?

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5. Is the insurance one of these? (Check your card carefully for any of these words)

Medicaid

Medicare

HMP or Healthy Michigan Plan

I don't know

None of these

Other (Please specify) \_\_\_\_\_

6. If you have more than one, what is the name of your second insurer?

### **Insurance Policy 2**

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7. Is the insurance one of these? (Check your card carefully for any of these words)

Medicaid

Medicare

HMP or Healthy Michigan Plan

I don't know

None of these

I don't have a 2<sup>nd</sup> insurance

Other (Please specify) \_\_\_\_\_

### **These questions focus on problems you may have had in using your insurance for mental health treatment.**

8. Have you (or the person you're helping) ever tried to use one of your insurances for help for any of the following mental health-related conditions: mental illness, substance abuse, or intellectual or developmental disability?

**If your answer is NO, go to Question 14.**

Yes

No

9. If YES, which of these did you use?

Insurance Policy 1

Insurance Policy 2

Both

10. When you (or the person you're helping) tried to use your insurance for one of those issues, did anyone ever tell you the following (check all that have ever happened)?

The requested service is not covered

There are limits on medications a doctor can prescribe

There are limits on visits to outpatient therapists or counselors

There are limits on hospital stays for mental health-related care

There are limits on care stays in residential treatment facilities

I would have to pay more than I could afford

There are limits on visits to your home (or your family member's or friend's) by mental health workers

There are limits on visits to the emergency room for mental health-related care

11. If you checked any of the items in Question 10, did you get a reason in writing?

Yes

No

12. If you checked any of the items in Question 10, did you try to get the decision changed by filing an appeal with your insurer?

Yes

No

13. If you did appeal, were you satisfied with the response of the insurer?

Yes

No

14. Have you (or the person you're helping) ever received anything from the insurance company about your appeal rights or how to file an appeal?

Yes

No

15. Would it be OK for someone to contact you with follow-up questions? Answering this question is optional. If it is OK, fill in your contact information below.

**Answering this question is optional.**

Your Name \_\_\_\_\_

Your E-mail \_\_\_\_\_

Your Phone # \_\_\_\_\_

**Thank you for HELPING US with this important issue! Your help is greatly appreciated.**

***How your voice can be heard:***

*Download or print the survey, fill it out, and return it by postal mail or e-mail to Mental Health Association in Michigan.*

***Postal Address:***

**Mental Health Association in Michigan  
2157 University Park Drive  
Suite 1  
Okemos, MI 48864-5956**

*E-mail address:* [mhamiweb@gmail.com](mailto:mhamiweb@gmail.com). Please type the words **Parity Survey** in the subject line.

If you have any questions about completing this survey, or you wish to give additional comments, please e-mail [mhamiweb@gmail.com](mailto:mhamiweb@gmail.com).

Thank you again for taking the time to participate in MHAM's parity survey!

