



Wit v. United Behavioral Health (9th Cir.)

Topics Covered: Managed Care

Issue

The issue in this case is whether a health insurance company's behavioral health guidelines were inconsistent with accepted medical practice.

AMA Interest

The AMA supports parity of coverage for mental illness, alcoholism, substance abuse, and eating disorders.

Case Summary

The plaintiffs are a class of 66,000 beneficiaries who required mental health and/or substance abuse benefits from wholly insured health insurance plans for which United Behavioral Health (UBH) was the third-party administrator. The plaintiffs assert that, in determining benefits, UBH relied on flawed guidelines to indicate when care was justified. The suit alleges that UBH is a fiduciary under ERISA and that UBH breached its fiduciary duties of fairness and honesty under 29 U.S.C. § 1104.

After a trial, the Northern District of California found the guidelines defective. UBH then indicated that it was discontinuing their use.

The plaintiffs did not, however, introduce evidence of specific monetary injury to any identifiable person. Instead, they asked that UBH be ordered to recalculate the benefits owed to the plaintiffs, based on 29 U.S.C. § 1132(a). This provision allows a court to order "redress" for plan violations. The court agreed with the plaintiffs' position and ordered UBH to recalculate the appropriate insurance benefits, with the recalculations to be completed by July of 2021. UBH has appealed to the Ninth Circuit. It asked for, and was granted, a stay of the recalculation order, pending exhaustion of the appeal. Oral argument has been heard, and the case is under advisement.

Litigation Center Involvement

The Litigation Center, through the AMA and the California Medical Association, filed an *amicus* brief with the American Psychiatric Association to support the plaintiff-patients.

Ninth Circuit Court of Appeals Brief