COST

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The average cost of inpatient rehabilitation for people with opioid addiction treatment was $16,104 per year in 2016 — a sharp increase from $5,809 in 2004, according to a Kaiser Family Foundation analysis. According to that same analysis, 38 percent of non-elderly adults with opioid use disorder had Medicaid coverage, 37 percent had private insurance, and about 17 percent were uninsured.

Those who are uninsured are less likely to receive treatment, but the barriers exist regardless of coverage, treatment providers said.

Most for-profit treatment centers only take people with private insurance or who can self-pay and exclude or limit beds for those with Medicaid coverage. Still, not all private insurance plans pick up the whole tab, especially for longer-term stays, said Amy Maurizio, director of inpatient drug and alcohol services at the Penn Foundation in West Rockhill.

"(Cost) is a big problem and many people won't come in for treatment for that reason," added Dr. William Lorman, medical director at Livengrin in Bensalem.

Both New Jersey and Pennsylvania legislators have taken action to address the issue of insurance coverage.

A New Jersey law passed last year requires insurers that are regulated by the state to cover the first 180 days of inpatient or outpatient addiction treatment at in-network facilities without the need for prior authorization.

Additionally, during the first 28 days of inpatient, intensive outpatient or partial hospitalization, insurers cannot intervene or conduct a review of whether the level of care is necessary. After that, reviews are permitted only every two weeks.

"The only thing that's required is that the facility or the program notify us that the person is there," said Suzanne Kunis, director of behavioral health solutions for Horizon Blue Cross Blue Shield of New Jersey.

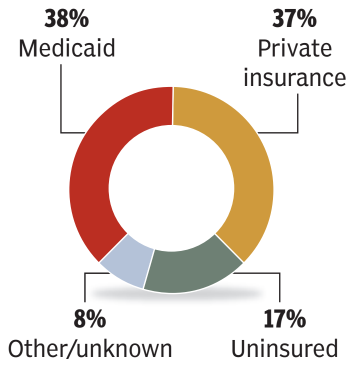
At a minimum, under Pennsylvania's Act 106, fully insured plans, which are administered and paid for by the insurer, must cover up to seven days per year and 28 days per lifetime of inpatient detox; at least 30 days per year and 90 days per lifetime of non-hospital inpatient rehab; and at least 30 visits per year and 120 visits per lifetime of outpatient, partial hospitalization or intensive outpatient treatment, all without the need for prior authorization.

"The facility issues a letter of medical necessity, and we honor that for up to seven days of detox and 30 days of inpatient rehabilitation. And we don't interfere, we don't assess, we don't do anything until that time is up," said Dr. Richard Snyder, chief medical officer of Independence Blue Cross.

On the other hand, self-insured plans in Pennsylvania, which are administered by the insurer but are paid for by a group such as an employer, can require pre-authorization and a review of the level of care that is necessary, but they cannot be any more restrictive than they would be for physical medical care.

Where does coverage come from?

Private insurance covers nearly 4 in 10 non-elderly adults with opioid addiction, slightly less than Medicaid, according to a Kaiser Family Foundation analysis of 2016 data.



Medicaid coverage at the state level

16% Portion of **Pennsylvania** residents age 19-64 who have Medicaid.

14% Portion of **New Jersey** residents age 19-64 who have Medicaid.

Source: Kaiser Family Foundation
GATEHOUSE MEDIA

Snyder said it costs Independence about $5,000 per year to care for an average member, but those with opioid use disorder cost about $27,000 per year. If they go through treatment and stay on medication-assisted treatment, the cost drops to about $18,000 per year. But if they continue to struggle and remain on opioids it increases to more than $40,000 per year.

"I have been using this data to tell the employer groups that this is a valid business reason that goes beyond the ethical, moral and clinical reasons for treating patients," he said.

Independence does not require people to go to a certain level of care first, Snyder said, noting that could be dangerous for some. There also are no limits on the number of times a patient is covered for detox, rehab or any other level of care, he said.

"It's part of the disease and we need to expect it just like a patient with diabetes or heart failure can get readmitted many times — and we don't restrict that," Snyder said. "We try to help them, we try to protect them, we try to build a caring environment around them that ensures they take their medicine to avoid the re-admissions, but we don't deny them and we don't stand in the way of getting care."

Kunis agreed.

"You can have one admission, you can have 101 admissions — you're covered," she said.

But Lorman, of Livengrin, said there are ways some insurers try to scale back coverage.

"For insurers, the minimum becomes the maximum," he said, explaining that many insurers won't cover beyond the minimum required stay and deny additional time, even when it's recommended.

Treatment providers said they also have noticed insurers starting to limit or eliminate payment for additional stays. For example, if people return to rehab within 90 days, some plans will not pitch in for care or will pay a lower rate, Lorman said. When a medical provider prescribes additional inpatient time, 20 percent to 40 percent of requests will be denied by insurers, he said.

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Garozzo fought with her son's insurance company to get him coverage for treatment for his opioid addiction. [EVAN VUCCI / ASSOCIATED PRESS]

Parents, families struggle to pay price of treatment

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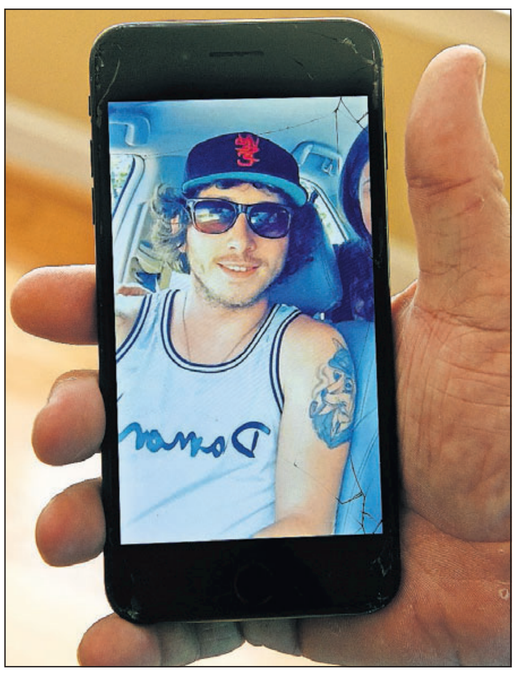

One of the many photos John Power, of Lumberton, has of his son, Christopher Power, who died of a drug overdose in 2016 at the age of 23. The Power family continues to pay the financial costs of Christopher's treatments. [NANCY ROKOS / STAFF PHOTOJOURNALIST]

"I'm just trying to save my son's life — it shouldn't be this difficult."

That was the sentence Debbie remembered telling an inpatient treatment center over three years ago when she was trying to get her son, who is now 25 and in recovery, help for his addiction.

"We hit a lot of dead ends. If a facility had room, they didn't accept our insurance," the Burlington County mother said. She declined to give her last name but shared her story at a forum hosted by the county prosecutor's office earlier this month. "If they accepted our insurance, they had a waiting list. We were referred to other facilities with no luck. The help he so desperately needed seemed so out of reach."

John Power, of Lumberton, knew that feeling of desperation. He realized he had to get help for his son Christopher, who was battling heroin addiction at 17 years old.

A friend recommended Caron Treatment Center in Pennsylvania, and without thinking about cost or insurance coverage, Power got his son placed there. Christopher began a four-month stay at Caron, and Power began figuring out how to afford it.

"Right off the bat, I wrote a check for $29,000," John Power said.

Power sought reimbursement from his New Jersey-based insurance plan, but his claims initially were rejected. Power filed an appeal but it took more than nine months before he was at least partially reimbursed for about $15,000 he spent out of his own pocket.

Then, to keep his son in treatment, Power had to write another check — again for about $29,000. The insurance company told him the extra time wasn't necessary.

"We don't think this level of care was warranted," the denial said, according to Power.

"I had taken a second mortgage on my house to pay this particular claim," he said.

Pam Garozzo, too, turned to her insurance company for help when her teenage son needed treatment for heroin addiction. She, too, found herself fighting for his care.

She spent years appealing denials and battling with the insurance company, which she said never approved payment for more than 12 consecutive days of inpatient treatment, even though her son was entitled to 30. Garozzo even had a recommendation from her son's medical provider that said he needed more time.

"It was sad to see him go through this and knowing that once he got on board, resources could be snatched away from him," she said. "I never felt like the people at the end of the telephone line were looking at my son like a person with an illness."

Three weeks after Garozzo's son, Carlos Castellanos, walked her down the aisle at her wedding, police showed up at her home to tell her he had died from an overdose.

While families such as the Powers and Garozzo struggle to get insurance companies to pay, the cost of covering treatment continues to jump. According to an analysis by the Kaiser Family Foundation, the annual cost to insurance companies for opioid addiction treatment through employer-based coverage has increased eight-fold from 2004, when it was $273 million, to $2.6 billion in 2016.

But the analysis doesn't capture the out-of-pocket costs families pay.

Mary's daughter had public assistance, but it was difficult to get her the correct help because she struggled with heroin addiction and mental health conditions.

"If you look at facilities that are covered by Medicare/Medicaid, it's a very small selection and you know how it's hard to get a bed, and then if you've only got one or two (facilities) to choose from … she also needed treatment for dual diagnosis," said the Bucks County mother who preferred not to use her real name.

Mary got recommendations for her daughter to see a private psychiatrist, but they only accepted cash — $160 per appointment. The psychiatrist recommended a therapist, at a cost of $60 per appointment, per week.

"Try to find a physician or psychiatrist or a facility that takes your Medicaid. You end up getting nowhere so we just always paid out of pocket for her costs," she said.

About a year after Mary's daughter started using, so did her son. He had private insurance coverage through his employer, but it was still difficult to get him the correct help, she said.

At first, they sent him to treatment in Florida.

"They really sold me a story on how much better it was," Mary said. But that wasn't the case. Her son returned after a 30-day stay and got into outpatient treatment, but he quickly relapsed.

"We went through this recovery, then relapse, then recovery (cycle), but whenever we said all right, you have to go back into treatment, he always did," she said.

Fortunately, Mary said, her son's insurance paid for treatment and he had a "pretty good choice" of options.

"For my son, I think there were places where he got better treatment and places … we were very disappointed with, but just about every other place — and I think he went to a good three or four — I felt he got good treatment," Mary said.

She and her husband had to be very involved and advocate for their children.

One of her son's treatment centers tried to discharge him after two weeks. Another treatment center assured the family that he would stay for 30 days and then be placed in another program to maintain a continuum of care.

"At the end of two weeks … my son called and he said, 'Mom, I'm in Levittown.' I thought he left treatment. He said, 'They said I'm done here. They put me in a recovery house in Levittown.'" Mary said.

"I said, 'Pack your bags, we're leaving.' … We took him home, and yes, he relapsed, but I think he would have relapsed there, too. I just don't think he was ready."

Eventually, treatment stuck.

"But my daughter, just there didn't seem to be a bottom," Mary said.

Mary believes her daughter started using again after struggling to stop medication-assisted treatment. In September 2017, she died of an overdose.

Within a month after leaving Caron, John Power's son Christopher also started using again. The facility had tried to maintain a continuum of care by placing him in a halfway house, but after paying for treatment, Power didn't have the money, so he brought his son home.

"They were probably right. He should have gone away for another year at a halfway (house) or something, and there were places that they recommended, which were just out of our league," Power said. "(Christopher) convinced me as well. 'I'm ready, I'm good, I'm good.' You always want to hope that things are better. … it wasn't long until he was right back to where he started."

Power tried again, sending Christopher to programs such as Ambrosia in Florida, Ambrosia in Medford, Humble Beginnings in Cherry Hill — most of which were covered by insurance. Still, Christopher relapsed.

At the start of 2016, Christopher wanted to give it one more try, but he decided not to ask his parents for financial help again.

"Matt (his older brother) had finished three years of school and we were getting real tight on money and Matt went into (military) service and Chris said, 'You know Dad, I want to do this one on my own this time,'" Power said. "He goes, 'I think it's important for me.'"

With the help of some of his friends, Christopher got his insurance to cover intensive outpatient and sober living in Florida. Yet he struggled to navigate the complex system of insurance and coverage. In one of his journals, Christopher wrote, "Today I am powerless over insurance, insurance, other people, insurance, the past."

He stayed in Florida for six months but died of an overdose in June 2016 at age 23.

"He had called me two nights before he died, and he said, 'You know I really would like to come home' and he had an old car we helped him get — it was a 10-year-old car — he said, 'I think I'm going to drive my car home Dad,'" Power recalled, choking up. "I said 'Chris, it's 1,000 miles, don't do that. We've got an airline ticket for you to come home in a week for Carter's (Christopher's son) birthday.' And he said, 'All right, I guess I'll wait.'"

On top of their pain and grief, John and his wife, Donna Power, are still dealing with the financial ramifications of their son's addiction.

Power estimated that he spent close to $100,000 for expenses related to his son's addiction.

"And that's not what the insurance companies paid — that's just, you look at all the things you're responsible for in between," he said.

Some of that he's still paying back in the form of the second mortgage on their home. They're also now helping raise Carter, their grandson.

"I used to say to our attorney, at that point in time I had the wherewithal to help him. What about all these kids who don't?" Power said.