

City workers sue EmblemHealth over mental health ‘ghost networks’

One plaintiff was unable to find in-network care even with the help of a case worker, according to the lawsuit filed Thursday.

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NEW YORK — A coalition of psychiatrists and patients is accusing insurer EmblemHealth of obstructing New Yorkers’ access to care by falsely listing mental health providers as in-network.

The proposed class action lawsuit, which was filed Thursday by the American Psychiatric Association and the New York State Psychiatric Association, involves six New York City employees who repeatedly struggled to find mental health care that was in network for EmblemHealth’s GHI Comprehensive Benefits Plan.

One plaintiff — an emergency medic employed by the city and living in New Jersey — was unable to find mental health care after being discharged from an intensive outpatient program last March, even though he had a case worker assigned to assist him, according to the associations’ complaint.

The psychiatrists argue the so-called “ghost networks” also enable EmblemHealth to avoid increasing reimbursement rates by appearing to have an adequate provider network. In reality, according to their complaint, a majority of results returned for the search “psychiatrist” are not psychiatrists, and other mental health providers are listed multiple times.

“When insurance companies use ghost networks, they are not only reaping profits by misleading consumers, but they are also hurting people who are in need of mental health care,” APA President Theresa Miskimen Rivera said in a statement. “So often we hear heart-wrenching stories of people calling through insurance provided clinician lists for weeks or months and reaching dead ends, unable to secure timely access to necessary psychiatric treatment.”

An EmblemHealth spokesperson said the insurer does not comment on pending litigation.

The lawsuit builds on a December 2023 report by New York State Attorney General Letitia James’ office that found an estimated 86 percent of mental health providers listed in health plans’ network directories were unreachable, out of network or not accepting new patients.

James’ report, which involved statewide secret shopper surveys of 13 health plans, concluded that approximately 82 percent of EmblemHealth’s mental health provider listings were ghosts.

When asked about plans to take legal action against other insurers, an American Psychiatric Association spokesperson said EmblemHealth is just the first.

City workers' GHI Comprehensive Benefits Plan was replaced this year with a new plan in collaboration with UnitedHealthcare, which is administering the behavioral health provider network instead of Emblem.