



Maryland
Hospital Association

February 19, 2020

To: The Honorable Delores G. Kelley, Chairman
Senate Finance Committee

From: Maansi Raswant, Vice President, Policy
Maryland Hospital Association

Re: Letter of Support - Senate Bill 334 – Health Insurance – Coverage for Mental Health
Benefits and Substance Use Disorder Benefits – Treatment Criteria

Dear Chairman Kelley:

On behalf of the Maryland Hospital Association's (MHA) 61 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 334. Maryland's nonprofit hospitals and health systems care for millions of people each year, including many seeking care for mental health and substance use-related disorders. However, efforts to place these patients at appropriate levels of care, particularly post-discharge, are hindered by seemingly arbitrary coverage decisions due to lack of transparency in insurers' benefits design and coverage policies.

SB 334 requires insurers to include detailed information on utilization management requirements and coverage decisions, such as prior authorization and concurrent/continuing review processes for needed services. This information about health care coverage is instrumental for hospitals and providers to better collaborate with insurers to support patients through the care continuum and place them in the most optimal, high-value care settings. However, currently this data is not provided on a systematic, transparent basis.

For the past two years, the Maryland Insurance Administration (MIA) found insurers do not meet regulatory parity standards for mental health and substance use disorder treatments—specifically for nonquantitative treatment limits, including network adequacy.¹ Yet, the reports carriers are required to file with MIA showing challenges meeting parity standards remain unavailable for review by providers and the public. This opaque process prevents critical stakeholders from providing valuable input to MIA and carriers on meaningful solutions to address issues with true impact to health care coverage and delivery.

Under Maryland's Total Cost of Care Model, providers and insurers must effectively work together to meet the Model's goals to provide high-value care to all Marylanders. As part of this Model and beyond, hospitals are measured on several facets of health care delivery at the state and federal levels, including utilization, quality, and cost. But success under these measures, and under the Model, does not solely depend on factors within hospitals' control. Access to high-

¹ See Maryland Insurance Administration Mental Health Parity and Addiction Equity Act Compliance Surveys. Available at: <https://insurance.maryland.gov/Consumer/Pages/MHPAEA-Enforcement-Actions.aspx>

value care is also significantly impacted by insurance coverage. The reporting requirements under SB 334 are a start for hospitals, providers, and all health care stakeholders to better understand this impact.

For more information, please contact:
Maansi Raswant
Mraswant@mhaonline.org