



**Senate Finance Committee
February 24, 2021**

**Senate Bill 638
Maryland Insurance Commissioner – Specialty Mental Health Services and
Payment of Claims – Enforcement
Support**

NCADD-Maryland supports Senate Bill 638 – Maryland Insurance Commissioner – Specialty Mental Health Services and Payment of Claims – Enforcement.

Since January 1, 2020, Maryland’s public behavioral health system’s new administrative services organization (ASO) has failed to accomplish the basic functions it was contracted to do. After more than a year, it has become evident that additional oversight is needed to enforce provisions in State law that require appropriate and timely responses to claims submitted by providers.

As the Maryland Insurance Administration (MIA) does not have statutory authority to enforce compliance by the ASO with prompt payment provisions in law, Senate Bill 638 seeks to change that. Currently, the Maryland Department of Health (MDH) holds that authority, but despite more than a year of provider complaints regarding Optum’s failure to comply with statute, MDH has not held Optum accountable. We are only recently aware that minimal fines have been charged for a few months. We believe the MIA is in a better position to perform this oversight function since they have years of experience enforcing the law with other payers.

The failure of Optum led to significant additional administrative burdens on providers. Difficulties were then compounded with the impact of the COVID-19 pandemic. Dealing with these operational challenges amid growing mental health and substance use problems in the community has created an untenable situation. This bill will not magically fix all that is wrong, but will demonstrate how serious the State is about ensuring a well-functioning system.

We urge a favorable report on Senate Bill 638.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.