



Testimony on HB 1272
Maryland Insurance Commissioner Enforcement – Specialty Mental Health Services
and Payment of Claims – Sunset Extension
Senate Finance Committee
March 23, 2023
POSITION: SUPPORT

The Community Behavioral Health Association of Maryland (CBH) is the leading voice for community-based providers serving the mental health and addiction needs of vulnerable Marylanders. Our 110 members serve the majority of those accessing care through the public behavioral health system. CBH members provide outpatient and residential treatment for mental health and addiction-related disorders, day programs, case management, Assertive Community Treatment (ACT), employment supports, and crisis intervention.

HB 1272 extends the sunset on the provision allowing the Maryland Insurance Administration (MIA) jurisdiction over enforcement of the prompt payment requirements for the public behavioral health system's administrative services organization (ASO). When the General Assembly passed HB 919 in the 2021 session, we had all hoped that Optum's dysfunctional system would undergo enough improvement that the MIA's oversight would no longer be necessary after two years from enactment of the legislation. Unfortunately, that improvement has not materialized. Providers continue to struggle with glitches in Optum's system that result in erroneous denials and late payment of claims.

Optum's contract does not expire until the end of CY 25. We don't know whether Optum's contract will be extended or if the new ASO will submit a lowball bid and subsequently be unable to perform the basic functions of authorizing services and paying claims. This bill would ensure that providers at least receive interest payments - as provided for in statute – for the next two years.

We urge a favorable report on HB 1272.

For more information contact Lori Doyle, Public Policy Director, at (410) 456-1127 or lori@mdcbh.org.