



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
2101 East Jefferson Street
Rockville, Maryland 20852

February 23, 2022

The Honorable Delores G. Kelley
Senate Finance Committee
3 East, Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

RE: SB 707 – Oppose

Dear Chair Kelley and Members of the Committee:

Kaiser Permanente regrettably opposes SB 707, Health Insurance – Provider Panels – Coverage for Nonparticipation.

Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.¹ Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for approximately 800,000 members. In Maryland, we deliver care to over 460,000 members.

The United States is facing a national shortage in the mental health workforce, which we believe is the primary issue limiting patient access – not provider rates. One in five American adults has a diagnosable mental illness, yet 115 million Americans live in designated mental health professional shortage areas where the population-to-provider ratio is at least 30,000 to 1 (20,000 to 1 for communities with unusually high needs). Future projections indicate the problem is likely to get worse, not better, as 57% of all actively practicing psychiatrists in the U.S. are older than 55 and are likely to retire within the next 5 to 10 years.

Kaiser Permanente is concerned that HB 912 would discourage providers from joining our network. Provider networks help control costs by agreeing to set limits on how much they charge for certain procedures. By partnering with doctors and hospitals to control costs, carriers are better positioned to offer plans with lower premiums. If a provider knows that they will receive the same out-of-network rate from every carrier, the provider may be less likely to come in-network.

Kaiser Permanente members receive [the best in-network care](#) in the state. The National Committee on Quality Assurance has rated Kaiser Permanente of the Mid-Atlantic States’ (which includes Maryland) commercial, Medicaid, and Medicare health plans as among the top

¹ Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation’s largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente’s members.

1% in the nation. As part of our commitment to total health, mental health care and addiction services are not limited to one department or specialty. Patients have access to health care and addiction services throughout Kaiser Permanente — including primary care, emergency care, and even specialty areas like cardiac and oncology. And in addition to clinical care and support, we offer self-care tools and resources that members can access anytime, at no cost.

Since this legislation was first introduced in 2020, Kaiser Permanente has substantially expanded patient access. We have opened three major medical facilities – [Lutherville-Timonium Medical Center](#) in Baltimore County, [Bowie Fairwood Medical Center](#) in Prince George’s County, and [Well by Kaiser Permanente](#) in Montgomery County – and have plans to open additional facilities in the next few years. We have contracted with additional behavioral health providers and will begin seeing patients and two new hospitals later in 2022. Providers are always encouraged to [apply](#) to work with the Mid-Atlantic Permanente Medical Group or [contract](#) with Kaiser Permanente as a community provider.

Since that time, Kaiser Permanente has met the network adequacy waiting time standard for urgent care for 100% of patients and improved performance on the waiting time standard for non-urgent behavioral health services from [84.3% in 2019](#) to [99.1% in 2021](#), bringing us into compliance with the 95% threshold required by that regulation. These results demonstrate that improvements in our network lead to greater access for our patients, and we are proud of this important achievement.

Kaiser Permanente remains committed to providing high quality and timely behavioral health services. Thank you for the opportunity to comment. Please feel free to contact me at Allison.W.Taylor@kp.org or (202) 924-7496 with questions.

Sincerely,



Allison Taylor
Director of Government Relations
Kaiser Foundation Health Plan of Mid-Atlantic States, Inc.