

SB 707- Health Insurance - Provider Panels - Coverage for Nonparticipation

FAVORABLE

Chair Kelley and Members of the Finance Committee

The National Alliance on Mental Illness, Maryland and our 11 local affiliates across the state represent a statewide network of more than 45,000 families, individuals, community-based organizations, and service providers. NAMI Maryland provides education, support and advocacy for persons with mental illnesses, their families and the wider community.

SB 707 requires an insurer, nonprofit health service plan, health maintenance organization (HMO), dental plan organization, and any other person that provides health benefit plans to cover mental health or substance use disorder services provided by a nonparticipating provider at no greater cost to the member than if the services were provided by a participating provider.

NAMI supports SB 707 because we believe that health insurance should provide comprehensive mental health and substance use disorder coverage without arbitrary limits on treatment. NAMI supports establishment and enforcement of laws and policies that ensure parity between mental health and physical health services in all forms of insurance coverage.

Why We Care

There is no health care without mental health care. As such, it is critical for health insurance to provide comprehensive coverage of mental health and substance use disorder services. Yet, too often, health insurance covers mental health care differently than other kinds of medical services, creating barriers to affordable, accessible mental health care and reinforcing a stigma around mental illness and seeking mental health treatment.

Parity is the basic idea that mental health and addiction care are covered at the same level as care for other health conditions. State and federal laws have attempted to address discriminatory practices in health insurance by creating requirements around parity. In 1996, the Mental Health Parity Act (MHPA) was the first federal law to create parity standards, but only for annual and lifetime dollar limits. In 2008, Congress passed the Mental Health Parity and Addiction Equity Act (MHPAEA) requiring comprehensive standards for equitable coverage of mental health and substance use disorder treatment and coverage of medical/surgical treatment. The 2010 Affordable Care Act (ACA) further expanded the reach of the parity laws by requiring most health plans cover mental health and substance use disorder care and expanding the scope of MHPAEA to reach most small group and individual markets. Additionally, states have enacted parity legislation to expand protections and/or improve compliance and enforcement of the federal laws. These efforts have helped create a more level playing field to treat mental and physical health conditions alike.