



**Montgomery County Federation of Families for  
Children's Mental Health, Inc.**

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**SB 684 Health Insurance – Mental Health and Substance Use Disorder Benefits –  
Sunset Repeal and Modification of Reporting Requirements**

Senate Finance Committee

February 28, 2024

**POSITION: SUPPORT**

I am Celia Serkin, Executive Director of the Montgomery County Federation of Families for Children's Mental Health, Inc. (MC Federation of Families), a family peer support organization serving diverse families in Montgomery County who have children, youth, and/or young adults with mental health, substance use, or co-occurring challenges. Our Certified Family Peer Specialists are parents who have raised or are currently raising children with mental health, substance use, and/or co-occurring challenges. I am a Montgomery County resident and have two children, now adults, who have struggled since childhood with mental health challenges. My son has debilitating depression. My daughter has co-occurring challenges.

MC Federation of Families is pleased to support **SB 684 Health Insurance – Mental Health and Substance Use Disorder Benefits – Sunset Repeal and Modification of Reporting Requirements.**

SB 684 requires altering certain reporting requirements on health insurance carriers relating to compliance with the federal Mental Health Parity and Addiction Equity Act; altering requirements for certain analyses of nonquantitative treatment limitations required of health insurance carriers; authorizing the Maryland Insurance Commissioner to exercise discretion to review subsets of nonquantitative treatment limitations under certain circumstances; etc.

State and federal law require Maryland health insurers to provide non-discriminatory health coverage for mental health and substance use disorder treatment and document compliance with the Mental Health Parity and Addiction Equity Act. The Maryland Insurance Administration (MIA) is unable to enforce these consumer protections because Maryland insurers have not complied with their legal obligations to submit reports demonstrating that their coverage is equitable. After lengthy review, the MIA found that the carrier reports "were uniformly and significantly inadequate, impeding the [MIA's] ability to reach parity determinations." As a result, the MIA has urged the General Assembly to strengthen Maryland's 2020 compliance reporting law (Ins. § 15-144) so that it can do its job – determine whether state-regulated health plans provide coverage for and access to mental health and substance use disorder benefits at the same level as other medical benefits.

<https://insurance.maryland.gov/Consumer/Appeals%20and%20Grievances%20Reports/2023-Interim-Report-on-Nonquantitative-Treatment-Limitations-and-Data-MSAR-12745.pdf>

MC Federation of Families supports SB 684 because it would adopt the MIA's recommendations to enhance its enforcement authority and also conform Maryland's standards to federal law. The bill would:

- Require carriers to prepare and submit annual compliance reports and provide all information and data required under federal law and regulations. (MIA Rec. 2 and 5).
- Require carriers to conduct an analysis of all nonquantitative treatment limitations (NQTLs) and give the MIA discretion to select a subset of NQTLs for review, based on identified criteria. (MIA Rec. 4).
- Require carriers to conduct an analysis of all factors and evidentiary standards used to design or apply an NQTL regardless of whether those items were adopted before enactment of the Parity Act (i.e. "legacy" standards). (MIA Rec. 3).
- Give the MIA greater discretion to identify outcome data that carriers must submit to evaluate NQTL operational compliance. (MIA Rec. 6).
- Strengthen the MIA's enforcement authority by:
  - Placing the burden of persuasion on carriers to demonstrate parity compliance in its reports and in individual disputes. (MIA Rec. 8).
  - Requiring a finding of a substantive parity violation if reports are incomplete.
  - Giving the MIA authority to order the carrier to cease implementation of the NQTL (MIA Rec. 8) and impose liquidated damages for failure to submit a complete report.
- Remove the reporting law's 2026 sunset and require updated regulations no later than December 2024.

For the aforementioned reasons, the MC Federation of Families urges this committee to pass SB 684.