

Department of Legislative Services  
Maryland General Assembly  
2022 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

Senate Bill 707

(Senator Klausmeier)

Finance

Health and Government Operations

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**Health Insurance - Provider Panels - Coverage for Nonparticipation**

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This bill requires a carrier (except for managed care organizations) to ensure that specified services for mental health or substance use disorders (SUDs) are provided at no greater cost than if the covered benefit were provided by a provider on the carrier's provider panel. Each carrier must inform members of the procedure to request a referral to a specialist or nonphysician specialist, and the Consumer Education and Advocacy Program must provide public education to inform consumers of such procedures. The bill's insurance provisions apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2023. **The bill takes effect July 1, 2022, and terminates June 30, 2025.**

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**Fiscal Summary**

**State Effect:** Minimal special fund revenue increase for the Maryland Insurance Administration in FY 2023 and 2026 from the \$125 rate and form filing fee; review of form filings may require contractual assistance in FY 2023 and 2026 only. The Consumer Education and Advocacy Program can provide public education with existing resources. The affected health occupations boards can submit the required report with existing resources.

**Local Effect:** The bill is not anticipated to materially affect local government finances.

**Small Business Effect:** Potential meaningful.

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## Analysis

**Bill Summary:** The bill expands the definition of “nonphysician specialist” to include a health care provider that is licensed as a behavioral health program.

By December 31, 2022, each health occupations board that regulates mental health or SUD providers must report to specified committees of the General Assembly on their progress in developing a process for providing information to carriers for the purpose of carriers reaching out to providers regarding participation on provider panels.

**Current Law:** “Nonphysician specialist” means a health care provider who is (1) not a physician; (2) licensed or certified under the Health Occupations Article; and (3) certified or trained to treat or provide health care services for a specified condition or disease in a manner that is within the scope of the license or certification of the health care provider.

Each carrier must establish and implement a procedure by which a member may request a referral to a specialist or nonphysician specialist who is not part of the carrier’s provider panel (out-of-network) if the member is diagnosed with a condition or disease that requires specialized health care services or medical care. The procedure must provide for a referral if the carrier does not have a specialist or nonphysician specialist with the professional training and expertise to treat or provide health care services for the condition or disease in-network or cannot provide reasonable access to such a specialist without unreasonable delay or travel.

A carrier must treat services provided by such a specialist or nonphysician specialist as if the service were provided in-network for purposes of calculating any deductible, copayment, or coinsurance.

**Small Business Effect:** Small business health care practitioners or practices that are licensed as a behavioral health program and are nonparticipating providers may serve additional patients under the bill due to the reduction in cost for consumers to receive such services.

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## Additional Information

**Prior Introductions:** SB 484 of 2020, a related bill, received a hearing in the Senate Finance Committee, but no further action was taken. Its cross file, HB 1165, received a hearing in the House Health and Government Operations Committee, but no further action was taken.

**Designated Cross File:** HB 912 (Delegate Sample-Hughes, *et al.*) - Health and Government Operations.

**Information Source(s):** Department of Budget and Management; Maryland Department of Health; Maryland Health Benefit Exchange; Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - February 15, 2022  
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