



SB 484 Health Insurance - Provider Panels - Coverage for Nonparticipating Providers
Senate Finance Committee February 26th, 2020

SUPPORT

MDDCSAM is the Maryland state chapter of the American Society of Addiction Medicine whose members are physicians and other health providers who treat people with substance use disorders.

As addiction treatment providers, we are well aware that lack of access to treatment for mental health treatment, and appropriate levels of addiction treatment, is a fact of life and a tragedy.

Carriers often erect credentialing barriers to keep substance use providers out of networks in violation of state and federal parity laws. “No network need identified” may be the only unaccountable explanation.

Yet, having between zero and one in-network addiction treatment provider in some counties, or a handful of opioid treatment programs in the state, makes it impossible for most insured members to access treatment. Many people with opioid use disorder need an opioid treatment program, not just Office Based Opioid Treatment (OBOT), to achieve recovery.

This contributes to our epidemics of opioid overdoses and rising suicide rates.

We have heard the stories of patients paying out-of-pocket when forced to go out of network for behavioral health treatment. But this is the tip of the iceberg. It is more likely that people in poverty, or with serious mental illness or addictions, simply can’t get treatment with inadequate networks.

Per the website of the Maryland Insurance Administration, the grand total of all penalties for parity violations since the first 2014 compliance survey was only \$62,475 for all carriers. The only fines were **\$25,000** for Cigna, another **\$9,000** for Cigna, **\$24,975** for CareFirst, **\$2,000** for United, and **\$1,500** for Aetna. Most of the documented parity violations resulted in no fines at all. To carriers, this is the cost of doing business.

But penalties in some other states are meaningful. California fined Kaiser \$4 million, while New York sanctioned carriers a collective \$2 million in fines for parity violations, and required \$3 million in restitution to hundreds of consumers for out-of-pocket expenses, resulting in a 60% reduction in consumer complaints about access to mental health and addiction treatment services.

In the ten years that parity has been the law of the land, carriers remain noncompliant. It is past time to incentivize adequate networks and enforce the law to avoid the tragedy of preventable, but untreated, mental health and substance use disorders that affect whole families and communities, and lead to greater expenses in the long run for Marylanders.
