

Senate Bill 484 Health Insurance - Provider Panels - Coverage for Nonparticipating Providers

Finance Committee

February 26, 2020

Position: SUPPORT

The Mental Health Association of Maryland is a nonprofit education and advocacy organization that brings together consumers, families, clinicians, advocates and concerned citizens for unified action in all aspects of mental health, mental illness and substance use. We appreciate this opportunity to present this testimony in support of Senate Bill 484.

SB 484 will improve access to care by preventing commercially insured Marylanders from being billed extra when they are forced to go out-of-network for behavioral health treatment.

The Maryland General Assembly and the Maryland Insurance Administration have taken important steps in recent years to address network adequacy concerns and improve access to treatment for individuals with mental health and substance use disorders. Unfortunately, these efforts have yet to ensure that Marylanders with commercial insurance can access in-network behavioral health care when needed.

An independent national report¹ published in late 2019 cast a harsh light on the situation. According to the data, Maryland is among the worst states for access to affordable in-network behavioral health services. It demonstrates that insurers in Maryland are much more likely to provide in-network care for physical health services compared to mental health and substance use treatment services. This limits access to care and results in higher out-of-pocket costs that can make treatment unaffordable, even for those with insurance.

Key findings are as follows (see attached infographic for more details):

- Marylanders were 10 times more likely to go out-of-network for behavioral health visits compared to primary care. This rate is twice the national average and **fourth worst in the nation**.
- Out-of-network inpatient behavioral health use rose from 5.5 times to 9.3 times more likely than for medical/surgical services between 2013 and 2017. This rate is also nearly **twice the national average**.
- Reimbursement rate for Maryland psychiatrists in 2017 was **18% less** than other physicians for the same billing codes.

¹ Melek, Stephen P.; Gray, Travis J. (T.J.); Davenport, Stoddard. Addiction and mental health vs. physical health: Widening disparities in network use and provider reimbursement. Milliman, Inc. November 2019.

<https://www.milliman.com/insight/Addiction-and-mental-health-vs-physical-health-Widening-disparities-in-network-use-and-p>

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Legislation was enacted in 2016 requiring the Maryland Insurance Administration to develop quantitative network adequacy regulations. The subsequent regulatory process resulted in the adoption of strong behavioral health appointment wait time and distance standards that took effect in early 2017. However, the first two rounds of carrier filings under the regulations do little to inspire confidence that insurers are doing enough to meet their new obligations. Carrier network adequacy reports filed in July 2019 indicated that only 2 of 16 carriers provided urgent mental health and substance use disorder care within the required 72 hours and only 1 of 6 carrier networks provided non-urgent care within the required 10 days.

These findings highlight the challenges that commercially insured Marylanders face when attempting to access community mental health and substance use treatment. Progress has been made, but there is much work to be done. Until we address these outstanding network adequacy failures, we must ensure that Marylanders forced to go out-of-network for behavioral health care are not penalized for doing so.

For these reasons, MHAMD supports SB 484 and urges a favorable report.

NEW NATIONAL REPORT DOCUMENTS INCREASED BEHAVIORAL HEALTH DISPARITIES IN EMPLOYER SPONSORED HEALTH PLANS

A new study conducted by Milliman, Inc. covering 37 million employees and their families, commissioned by The Bowman Family Foundation, reflects dramatically worsened access to behavioral health care since a similar study was published two years ago.

- Despite the National Opioid and Suicide Crises, mental health and substance use treatment* together accounted for less than 3.5% of total health care spend, with substance use treatment ranging from 0.7 to 1% of that total over the 5 year period.
- Behavioral health access disparities escalated from 2013 to 2017 in all three categories of care examined: outpatient visits, inpatient facilities and outpatient facilities. Disparities nearly doubled for inpatient and outpatient facilities, rising from almost 3 to nearly 6 times more likely, when compared to medical/surgical facility use.
- Children were 10 times more likely to receive outpatient mental health care out of network compared to primary care visits, twice the disparity faced by adults.

»»» OFFICE VISIT ACCESS

Higher out of network for behavioral health office visits compared to primary care.

	2013	2015	2017
NATIONAL	5.04 x	5.09 x	5.41 x
MARYLAND	7.95 x	9.02 x	10.00 x

Maryland outpatient access is **4th WORST** in the nation—10 times more likely and nearly twice the national average.

»»» INPATIENT FACILITY ACCESS

Higher out of network for behavioral health inpatient compared to medical/surgical.

	2013	2015	2017
NATIONAL	2.83 x	3.85x	5.24 x
MARYLAND	5.50 x	5.60 x	9.35 x

Maryland out of network inpatient use rose from **5.5 to 9.3 times more likely**—nearly twice the national average.

»»» OUTPATIENT FACILITY ACCESS

Higher out of network for behavioral health outpatient facility compared to medical/surgical.

	2013	2015	2017
NATIONAL	2.97 x	5.09 x	5.72 x
MARYLAND	1.96 x	3.55 x	3.66 x

Maryland out of network outpatient facility use rose from **2 to 3.6 times more likely**.

»»» OFFICE VISIT REIMBURSEMENT

Higher office visit reimbursement for primary care compared to behavioral health.

	2013	2015	2017
NATIONAL	20.70%	20.80%	23.80%
MARYLAND	23.20%	27.20%	18.20%

Maryland behavioral health providers **received 18% less than other doctors** for similar billing codes.

* Excludes behavioral health prescription drugs, which were 2% of total healthcare spending in 2017.