



Maryland  
Hospital Association

February 26, 2020

To: The Honorable Delores Kelley, Chairman  
Senate Finance Committee

From: Maansi Raswant, Vice President, Policy  
Maryland Hospital Association

Re: Letter of Support - Senate Bill 484 – Health Insurance – Provider Panels – Coverage for  
Nonparticipating Physicians

Dear Chairman Kelley:

On behalf of the Maryland Hospital Association's (MHA) 61 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 484. Maryland's 61 nonprofit hospitals and health systems care for millions of people each year, treating 2.3 million in emergency departments. Central to this mission is ensuring the estimated one in five Marylanders suffering from mental health and substance use disorders have access to appropriate behavioral health care. However, efforts to place these patients at appropriate levels of care, particularly for post-discharge care, are often hindered by inadequate commercial insurer provider networks.

Nationwide studies rank Maryland 4<sup>th</sup> in the country for highest proportion of behavioral out-of-network use for office visits and 16<sup>th</sup> for inpatient facilities. Data show Marylanders with commercial, preferred provider organization plans are 10 times more likely to use an out-of-network provider for behavioral health office visits, than for medical/surgical office visits. Similarly, Marylanders are 9.35 times more likely to use an out-of-network inpatient facility for behavioral health needs than medical/surgical needs.<sup>1</sup>

SB 484 would expand access to more mental health and substance use treatment providers by allowing patients to seek care outside of carrier networks and requiring carriers to fully honor their promise to the patient for coverage of medically necessary care. In this way, the bill has the potential to incentivize insurance carriers to begin appropriately including these providers in their networks and setting adequate reimbursement rates.

For more information, please contact:  
Maansi Raswant  
Mraswant@mhaonline.org

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<sup>1</sup> Milliman Research Report (Nov. 19, 2019). Addiction and mental health vs. physical health: Widening disparities in network use and provider reimbursement.