

BRIAN E. FROSH
Attorney General

WILLIAM D. GRUHN
Chief
Consumer Protection Division

ELIZABETH F. HARRIS
Chief Deputy Attorney General

CAROLYN QUATTROCKI
Deputy Attorney General

Writer's Direct Fax No.
(410) 576-6571

Writer's Direct Email:
pocconnor@oag.state.md.us



STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

Writer's Direct Dial No.
(410) 576-6515

February 20, 2020

To: The Honorable Shane E. Pendergrass
Chair, Health and Government Operations Committee

From: Patricia F. O'Connor, Health Education and Advocacy Unit

Re: House Bill 196 (Health Insurance - Provider Panels - Definitions of Provider and Health Care Services): Support

The Office of the Attorney General's Health Education and Advocacy Unit (HEAU) supports House Bill 196 because consumers would benefit from improvements to the network adequacy statute, Md. Code Ann., Ins. § 15-112. The statute is intended to ensure that all enrollees in plans with provider panels "have access to providers and covered services without unreasonable travel or delay." Md. Code Ann., Ins. §15-112(b)(3)(i). But enrollees continue to complain about lack of access, despite having paid substantial premiums to carriers for their plans.

Support. In an effort to further reduce health insurance costs for those who purchase plans on the individual exchange, this bill would require the Exchange to create a subsidies program for the purchase of individual plans through the Exchange. Eligibility and payment parameters must be established for calendar year 2021 and for each subsequent year. The Exchange must determine whether the program requires the State to apply for a Section 1332 waiver, and if so, apply. Funding would come from carrier assessments currently used to fund the state reinsurance program. The current provisions regarding the Maryland Health Benefit Exchange Fund would be expanded to include funding for the subsidies program. The bill expands current definitions in a way that would clearly include facilities and pharmacies. As a result, those applicants would be subject to the statute's framework for credentialing that carriers must comply with for all other applicants to provider panels, instead of a carrier's own (usually more burdensome) credentialing process.

We hope enrollees will have improved access to behavioral health services, in particular, if the bill is enacted. Easing participation by more facilities in provider panels as the bill intends would also improve access to other services. ("Health care facility" means a health care setting or institution providing physical, mental, or substance use disorder health care services [and] includes a hospital; an ambulatory surgical or treatment center; a skilled nursing facility; a

residential treatment center; an urgent care center; a diagnostic, laboratory, or imaging center; a rehabilitation facility; and any other therapeutic health care setting” Md. Code Ann., Ins. §15-112(a)(10)(punctuation omitted).

For these reasons, we urge a favorable report by the Committee.

cc: Members of the Health and Government Operations Committee