



Senate Bill 638
Maryland Insurance Commissioner – Specialty Mental Health Services and
Payment of Claims - Enforcement

Senate Finance Committee
February 24, 2021

POSITION: FAVORABLE

The Maryland Coalition of Families: Maryland Coalition of Families (MCF) helps families who care for someone with behavioral health needs. Using personal experience as parents, caregivers and other loved ones, our staff provide one-to-one peer support and navigation services to parents and caregivers of young people with mental health issues and to any loved one who cares for someone with a substance use or gambling issue.

MCF strongly supports SB 638.

You are receiving testimony from a great number of behavioral health providers detailing all of the problems with Optum's performance since it became Maryland's Administrative Service Organization (ASO) in January 2020. I will not repeat all of this in my testimony. The debilitating problems with Optum's administration are obvious, the absence of any significant course correction is abundantly evident, and the negative impact on providers is overwhelming.

I want to talk about the impact Optum's failure has had on consumers of behavioral health services.

We know of two certified recovery residences for individuals with substance use disorders that were forced to shut down owing to prolonged delayed payment of claims. Certified recovery residences are already in short supply, and losing two has a profound negative impact. For the young men in these facilities, having to scramble to try to find a new living arrangement was a significant challenge. They were forced to move at some distance outside of their communities, and one young man therefore had to resign from his job, since his new recovery residence was at too great a distance and without public transportation to his previous place of employment. Such a disruption as this can put a new and precarious recovery at risk.

We know that as a result of the COVID pandemic, demand for behavioral health services is going to skyrocket. We already know that overdoses and suicides are up. In addition, a CDC report of October 2020 showed that emergency department usage for psychiatric crises between March and October 2020 had increased 31% in youth aged 12-17 over the same period in 2019 – and before COVID there was already a critical shortage of psychiatric services for children and adolescents. There are too many studies to cite – all indicating that the pandemic is having a profound negative impact on people's behavioral health. We must anticipate a huge demand, and an incompetent ASO will have a profound negative impact on Maryland consumers in the Public Behavioral Health System. SB 638 will put

measures in place to force Optum to improve their performance, thereby easing the burden on providers, and ultimately to the benefit of consumers.

Therefore we urge a favorable report.

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