



HB 1148/SB 834 Health Insurance – Two-Sided Incentive Arrangements and Capitated Payments – Authorization

Position: Support

Thank you for the opportunity to provide written comments in support of this legislation. As a family physician, I have a profound appreciation for the practice of medicine, and the science behind the treatment of disease. I also know that to deliver better, more holistic care to patients, it's critical to gain greater visibility into socioeconomic factors that impact costs and outcomes of their care – and more importantly their life overall. Traditionally, healthcare organizations have had to operate with a limited view of patients' circumstances outside the four walls of a clinical setting. However, understanding social risk factors and how it impacts clinical care is key to reducing costs, advancing health equity, and ultimately improving outcomes for individuals and their neighborhoods. This is what inspired me to found Socially Determined, a healthcare analytics company focused on providing social risk insights and solutions to help healthcare providers better assess and address social risks that impact the patients and communities that they serve.

The proposed legislation would expand value-based care arrangements in Maryland, offering providers and payers across the state greater flexibility and tools to deliver more holistic, patient-centered care that spans both clinical and social needs. Under current fee-for-service reimbursement models, providers are paid for the volume of services they provide – rather than the outcomes of those services. Value-based care models redefine what constitutes health through a more comprehensive framework that emphasizes outcomes and experience, incentivizing providers to practice person-centric care that addresses all aspects of health and wellbeing, including addressing the social risks that impact clinical outcomes. The metrics-driven nature of value-based arrangements give providers and health plans the freedom to prioritize addressing social needs and advancing health equity, thus improving population health while also ensuring providers are properly compensated for the time and care they offer their patients.

For too long, we have let siloed reimbursement models stand in the way of delivering the kind of holistic, socio-clinical care that we know all of our fellow citizens deserve. We need providers and health plans that recognize this to partner through reimbursement arrangements that cover and incentivize health equity and care quality for the full range of factors related to patient health. The proposed legislation offers a promising step in the right direction by providing financial incentives and flexibility to address this.

For these reasons, I urge favorable support of this legislation.

Trenor Williams
CEO, Socially Determined