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February 15, 2022

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Health and Government Operations Committee
Maryland House of Delegates
6 Bladen Street
House Office Building, Room 241
Annapolis, MD 21401

Bill: HB912 Position: SUPPORT

Dear Chair, Vice-Chair, and Members of the Committee:

The Maryland Psychological Association, (MPA), which represents over 1,000 doctoral level psychologists throughout the state, urges the Committee to provide a **favorable report on HB 912**.

Current law allows consumers with health insurance to go out of the network when the network panel cannot meet the subscriber's specific treatment needs or provide the services in a timely fashion. Unfortunately, current law does not specify the dollar amount the insurance company or the consumer is responsible for, and all too often this leads to cost-shifting by the insurance company with large co-pays for the consumer – even though the problem is that the insurance company does not have an adequate network (because of the low reimbursement rates set by the carrier which actively discourages network participation). MPA strongly supports HB 912 because it clarifies that the consumer's financial responsibility in these specific situations would be no greater than what they would pay for an in-network therapist. We also believe that the Maryland Health Care Commission will set reasonable out-of-network rates that will fairly compensate therapists for their education, training, and expertise.

Simple economics reveals why many consumers cannot find therapists with needed skills and in a timely manner within the carrier's network. Most experienced psychologists cannot afford to belong to network panels. Insurance companies, on average, currently reimburse in-network psychologists \$85 per session (with a range of about \$70 to \$120 per session). In 1990, more than 30 years ago, the average reimbursement for psychologists per session was \$95. When you take inflation into account, \$95 in 1990 is equivalent to \$204 today. **In-network psychologists, therefore, are being asked to accept a non-negotiated rate set by the insurance company that is less than half (42%) of what they were being paid per session 30 years ago.**

HB 912 provides a reasonable remedy for consumers in these situations. HB 912 requires insurance companies to cover out-of-network therapy and substance abuse services at no greater cost to the consumer than they would pay to an in-network therapist when the carrier's panel does not have a therapist able to provide needed services in a timely fashion.

For these and other reasons, the MPA urges you to **SUPPORT HB 912**.

Please feel free to contact MPA's Executive Director Stefanie Reeves at exec@marylandpsychology.org if we can be of assistance.

Sincerely,

Linda McGhee

Linda McGhee, Psy.D., JD
President

R. Patrick Savage, Jr.

R. Patrick Savage, Jr., Ph.D.
Chair, MPA Legislative Committee

cc: Richard Bloch, Esq., Counsel for Maryland Psychological Association
Barbara Brocato & Dan Shattuck, MPA Government Affairs