

BONNIE CULLISON
Legislative District 19
Montgomery County

Vice Chair, Health and Government
Operations Committee

Subcommittees

Chair, Insurance and Pharmaceuticals

Health Occupations and Long Term Care

Rules and Executive
Nominations Committee

Joint Committee on Legislative Ethics



The Maryland House of Delegates
6 Bladen Street, Room 241
Annapolis, Maryland 21401
410-841-3883 · 301-858-3883
800-492-7122 Ext. 3883
Fax 410-841-3882 · 301-858-3882
Bonnie.Cullison@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES

ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB1085

Maryland Insurance Administration - Mental Health Parity and Addiction Equity Reporting Requirements
- Revisions and Sunset Repeal

Good afternoon, Chairman Peña-Melnyk and honorable members of the committee. Thank you for the opportunity to present **HB1085: Maryland Insurance Administration - Mental Health Parity and Addiction Equity Reporting Requirements - Revisions and Sunset Repeal**. This bill addresses the need for greater accountability in coverage of parity for behavioral health and substance abuse disorders by health insurance carriers by creating more specific reporting and analysis requirements relating to compliance with the federal Mental Health Parity and Addiction Equity Act and establishing remedies and penalties the Maryland Insurance Commissioner may use to enforce compliance with the reporting requirements.

Historically, insurance coverage for services in the treatment of mental health and addition were often limited by carriers in terms of reimbursement, provider networks, allowance of time in treatment and authorization. Maryland was an early leader in requiring coverage of mental health treatment in the 1990s, but permitted some differences. In 2008, the Federal Government passed the Mental Health Parity and Addiction Equity Act (MHPAEA) to assure that insurance coverage of these illnesses was comparable to that of medical/surgical coverage. MHPAEA addressed both quantitative and non-quantitative treatment limitations, in addition to cost sharing. Quantitative limitations include visit limits for treatment. Non-quantitative treatment limitations or NQTLs include reimbursement to providers, utilization review for medical necessity, pharmacy formularies, and other aspects of plan design that impact a consumer's access to care.

Maryland's law mandating coverage of mental health treatment has been revised over the years to comply with the federal Parity Act and further strengthen protections. The most significant changes occurred in 2010 when Maryland law was revised to comply with the MHPAEA statute, and in 2015 when the law was further revised to codify the requirements of the federal final rules under the Parity Act. In 2020, the General Assembly passed the law codified as § 15-144 of the Insurance Article, which established Maryland as a national leader in Parity Act enforcement by requiring that requires carriers to submit reports of detailed analysis of 14 categories of NQTLs.

The requirements on carriers, based on federal and state law, are comprehensive. Each carrier has multiple plans (up to 100), and they must prepare each year to respond to requests for in-depth analysis on each NQTL for each plan. The MIA has been collecting these analyses and unfortunately, they are not complete for any carrier. The time it takes to review these reports is 20 to 40 hours on one NQTL for one plan. Follow up with each carrier is required, sometimes multiple times, adding 30 to 50 additional hours of review time. If MIA completed the review and follow up process in the way they are currently required to do for each plan, they could do none of the other work they are required to do, including responding to complaints from consumers.

With this bill, the MIA is requesting a revision to the process that will allow them to accomplish the goals of MHPAEA by doing an in-depth analysis on a defined number of NQTLs, those which impact services the most, as chosen by the Commissioner from each carrier every two years. MIA now has the authority to request any NQTL at any time from any carrier if they need to make sure that carriers are completing the analysis on all NQTLs and not just those that are reviewed in their regular review year.

This bill would not remove that authority but does reduce the overall workload on MIA by decreasing the number of reports the MIA is required to review each reporting period. More importantly, it allows them to do more complete analysis of the work of each company with more time to follow up with deficiencies. This process will increase the intentional and deliberative accountability for assuring mental health services and addiction treatment. This ensures that the review is in-depth and will bring the health plans into compliance with the law, which should lead to increased access to care by consumers.

There is another bill which also seeks to improve compliance with some similar elements. We are continuing to work with the House and Senate sponsors to reach agreement where there are differences and hopefully arrive at one version of the bill.

Thank you for your consideration of this bill and I respectfully request your favorable report.