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Health and Government Operations
Committee

Subcommittees

Health Occupations and Long-Term Care

Public Health and
Minority Health Disparities

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

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**HB1074 - Health Insurance - Mental Health and Substance Use Disorder Benefits - Sunset
Repeal and Modification of Reporting Requirements**

Good afternoon Madame Chair, Vice Chair, and members of the Health and Government Operations Committee. Thank you for the opportunity to present House Bill 1074.

In 2008, Congress passed the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (“Parity Act”), which requires insurance carriers who offer mental health or substance use disorder benefits to offer equally favorable benefits limitations between those mental health/SUD benefits and medical/surgery benefits.¹ The Parity Act is about fairness: it puts insurance coverage for behavioral health on equal ground with other insurance coverages, encouraging greater access to behavioral health care.

An emergency bill passed by the legislature in 2020 (HB455) requires that insurance carriers report to the Maryland Insurance Administration in great detail how they are complying with the Parity Act.² In their most recent report required by HB455 (2020), the MIA concluded that carriers are frequently failing to produce the level of detail in their compliance reports that would be necessary in order to determine if they are actually compliant with the Parity Act.³ To that end, HB1074 is about enforcement: this bill gives MIA, based on their recommendations, the tools they require to ensure carriers are offering equal benefits for behavioral health coverage.

First and foremost, HB1074 lifts the sunset established in HB455 (2020), ensuring that the MIA will continue to receive compliance reports from carriers for as long as is necessary to ensure the Parity Act is being adhered to. HB1074 also alters some reporting requirements to clarify what data points are required under carrier compliance reports, and provides greater enforcement capabilities to the MIA should they find that a carrier is being noncompliant to the Parity Act. These changes will work to more efficiently ensure that carriers are offering equality in their behavioral health coverage to their recipients.

¹ <https://www.cms.gov/marketplace/private-health-insurance/mental-health-parity-addiction-equity>

² <https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/hb0455/?ys=2020rs>

³

<https://insurance.maryland.gov/Consumer/Appeals%20and%20Grievances%20Reports/2023-Interim-Report-on-No-quantitative-Treatment-Limitations-and-Data-MSAR-12745.pdf>

At a time when access to behavioral healthcare is more important than ever, it is very important that we have the proper legal mechanisms to ensure that Marylanders are receiving equitable coverage for care through their carriers. For that, I respectfully ask for a favorable report on HB1074.