



TESTIMONY ON HB1337

Health Insurance - Appeals and Grievances Process-Reporting
Requirements and Establishment of Workgroup

Health and Government Operations Committee

FAVORABLE
March 5, 2024

Honorable Chair Peña-Melnyk, Vice Chair Cullison, and Members of the Committee,

Progressive Maryland is a statewide multi-racial, multi-issue grassroots advocacy organization. We believe healthcare is a human right. Achieving greater healthcare justice and security in our society is a top priority for us.

To that end, we support policies and programs that expand access to care, create more racial and gender equity, make prescription drugs affordable, increase the pay of healthcare workers and win protections for people with medical debt.

In the past two years we became more aware of the growing crisis people in Maryland and across the country were facing when trying to use their health plans to get the care they need. There has been an alarming rise in full and partial care and claim denials being issued by insurance companies.

In response to these issues and the concerns we were hearing from our members and leaders, we launched our statewide Care Over Cost campaign last summer in order to learn more, to engage everyday people, and to explore what can be done about this crisis.

When we talked to people at community events, virtual gatherings, or at their doors they told us, no matter where they live, no matter their age, job status, or income that they don't understand what's going on with the healthcare system. They expressed frustration and anger and told us that we should urge lawmakers to do something about this terrible situation.

Here's a sampling of the questions we heard:

- Why are we paying more money for co-pays, premiums and deductibles but getting less care from our plans?
- Why do our insurance plans reject prescriptions or treatments that our doctors recommend? That's happening more and more.
- What is going on with the delays and hassles to get reimbursements for claims? Why is it so complicated and time consuming to appeal these decisions?

Many of them expressed disbelief that the same companies that are paying enormous CEO salaries and spending money on stock buybacks are telling people that they can't afford to honor their plans and cover their healthcare.

It's time for Maryland to start addressing the ways in which the system seems to favor the insurers over the insured. That's why we're pleased to submit testimony in support of Del. Woods' bill, HB 1337.

HB 1337 will require additional reporting on data that insurers have about members and claims. This piece will help regulators know more about the magnitude and dimensions of the problem.

Another key provision in the bill concerns the appeals and grievances process. It will create a plan for the MIA and HEAU, along with stakeholders like consumers, to examine whether additional data is needed and whether recommendations can be made to increase accessibility and understanding of the appeals and grievance processes for patients and regulators. We know from the recent annual report published by HEAU that a significant % of full or partial denials are reversed when patients can hang in there and complete the appeals process. This suggests two things: that there is a problem in how the denial is determined and that if more people appealed more people would get the results they need. That's why we need more data and a better understanding of the process.

Progressive Maryland, on behalf of our individual members, our chapters, our Board members, and along with our allies for healthcare justice like CASA, 1199SEIU United Healthcare Workers East, Maryland Citizens' Health Initiative, Free State Justice, Economic Action Maryland, Public Citizen, and others urge you to support HB 1337.

We hope you will ask your House colleagues to do the same.

Thank you for your consideration.

Patty Snee on Behalf of Progressive Maryland

patty@progressivemaryland.org

District 20 Resident

8500 Flower Ave.

Takoma Park, MD 20912