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Prince George's County

PRESIDENT PRO TEMPORE

Executive Nominations Committee

Education, Energy and the  
Environment Committee



THE SENATE OF MARYLAND  
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The Honorable Pamela G. Beidle  
Chairwoman, Senate Finance Committee  
3 East Miller Senate Office Building  
11 Bladen Street Annapolis, MD 21401

**RE: SB902 – Health Insurance – Access to Nonparticipating Providers – Referrals, Additional Assistance, and Coverage**

Position: **Favorable with Amendments**

Chair Beidle and Members of the Committee,

Thank you for the opportunity to testify in support of Senate Bill 902. This bill requires that certain carriers provide assistance to members in identifying and arranging coverage for a specialist or nonphysician specialist for treatment of mental health or substance use disorder services with nonparticipating providers.

**The Problem – Persistent Barriers to MH/SUD Care**

In 2022, the Maryland General Assembly unanimously passed legislation to protect patients who must seek out-of-network MH/SUD treatment due to inadequate provider networks. This legislation ensured they would not pay more than in-network rates, preventing carriers from shifting costs to consumers.

However, this critical protection is set to expire on July 1, 2025, even though Maryland's MH/SUD networks remain insufficient. Recent data<sup>1</sup> show that Marylanders are

- 8.9 times more likely to go out-of-network for psychiatric services than for medical or surgical care.
- 10.6 times more likely to go out-of-network for psychological services than for medical or surgical care.

While there are providers available, many are not included in insurance networks, often due to administrative barriers and low reimbursement rates. These ongoing challenges disproportionately delay or deny care for individuals experiencing MH/SUD crises.

**What SB902 Does – Strengthens Consumer Protections and Promotes Parity**

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<sup>1</sup> [https://www.mhamd.org/news/new-study-finds-continuing-pervasive-disparities-in-access-to-in-network-mental-health-and-substance-use-care/?utm\\_source=chatgpt.com](https://www.mhamd.org/news/new-study-finds-continuing-pervasive-disparities-in-access-to-in-network-mental-health-and-substance-use-care/?utm_source=chatgpt.com)

SB902 and its amendments directly address these ongoing barriers by making critical consumer protections permanent and closing loopholes that have undermined their effectiveness. Specifically, SB902:

- Eliminates the 2025 sunset, making permanent the requirement that when no in-network MH/SUD provider is available within regulatory time and distance standards, insurers must cover out-of-network services with the same cost-sharing terms as in-network care.
- Ensures fairness in utilization review, prohibiting insurers from imposing stricter utilization review requirements for out-of-network MH/SUD care than they would for in-network providers.
- Mandates active carrier assistance, requiring insurers to help patients locate and arrange coverage with out-of-network providers when no in-network options are available.

### **Why SB902 Matters – Breaking Down Its Impact**

Without this bill, we risk a return to harmful cost-shifting practices that punish patients for insurance network failures. The consequences would include:

- Continued administrative roadblocks that delay or deny critical mental health care.
- Widening disparities, as patients with limited resources are priced out of lifesaving treatment.
- Increased strain on emergency rooms and public health systems as untreated mental health crises escalate.

SB902 ensures that:

- Balance billing protections become permanent, so no Marylander pays more for out-of-network MH/SUD care due to network inadequacies.
- Red tape is eliminated, stopping unnecessary prior authorization and reauthorization requirements.
- Families in crisis receive real support, requiring insurers to actively assist in locating out-of-network care when no in-network options exist.
- Continuity of care is protected, allowing patients to complete treatment without repeated interruptions caused by reauthorization requirements.

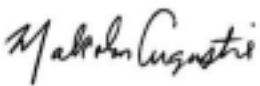
Finally, SB902 upholds Maryland’s commitment to true mental health parity. This means ensuring that MH/SUD treatment is just as accessible and affordable as physical health care. SB902 brings us closer to that reality by ensuring that cost and coverage standards for mental health services match those for any other medical condition.

### **Amendments**

House Government and Operations met and passed the SB 902 cross file, House Bill 11, with agreed upon amendments that I support and attached as conforming as follows:

- Language that makes it clear this applies only to mental health and substance use disorders
- Language from MIA that they prefer and that are limited to MH and SUD
- Deleted the development of a formula by the MHCC at the request of carriers

**Chair Beidle and members of the committee, I urge you to issue a favorable report with amendments on SB902.**



Sincerely, Senator Malcolm Augustine  
President Pro Tempore -- District 47 – Prince George’s County