

MARYLAND PSYCHIATRIC SOCIETY



February 11, 2025

The Honorable Pamela Beidle
Chair, Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

RE: Support – SB 902: Health Insurance - Access to Nonparticipating Providers - Referrals, Additional Assistance, and Coverage

Dear Chairwoman Beidle and Honorable Members of the Committee:

The Maryland Psychiatric Society (MPS) and the Washington Psychiatric Society (WPS) are state medical organizations whose physician members specialize in diagnosing, treating, and preventing mental illnesses, including substance use disorders. Formed more than sixty-five years ago to support the needs of psychiatrists and their patients, both organizations work to ensure available, accessible, and comprehensive quality mental health resources for all Maryland citizens; and strive through public education to dispel the stigma and discrimination of those suffering from a mental illness. As the district branches of the American Psychiatric Association covering the state of Maryland, MPS and WPS represent over 1100 psychiatrists and physicians currently in psychiatric training.

In 2022, the Maryland General Assembly passed a law to protect Marylanders with private health insurance from having to pay higher costs when their insurance network is inadequate to meet their needs for mental health (MH) and substance use disorder (SUD) care and they are forced to go out-of-network. However, these balance billing protections are set to expire in July 2025. Our state is still facing an overdose epidemic and MH crisis, and we need to prevent health insurers from going back to shifting costs to Marylanders when they have inadequate networks, and close existing gaps in the law.

We are also in full support of the Maryland State Medical Society's (MedChi) proposed amendment to remove Maryland Health Care Administration's authority to set rates, as we agree that rate-setting may result in lower reimbursement for medical subspecialties. The unmet need for MH and SUD care in Maryland is high and continues to rise. In 2023, more than 27% of Maryland adults reported symptoms of anxiety and/or depression, and over 30% of adults had an unmet need for counseling or therapy for these conditions. Of the 252,000 Maryland adults who did not receive MH care, 1 in 3 did not because of cost. Requiring insurers to pay for approved out-of-network services at "no greater cost" to members than the in-network rate will protect Marylanders. At least 17 states have laws that comparable balance billing protections for when insurance networks are inadequate. The federal No Surprises Act protects Marylanders from higher costs when they unknowingly receive emergency services from out-of-network providers. Marylanders who get permission to go out-of-network because their insurer's network is inadequate deserve no less.

Marylanders should not pay more for mandated MH and SUD services when insurers do not have adequate networks. Maryland ranks among the worst in the country for how much more frequently Marylanders go out-of-network for MH and SUD care compared to medical care. Maryland insurers' 2024 Access Plans revealed inadequate networks for many SUD services in one or more geographic areas, despite maintaining adequate networks for virtually all medical/surgical services.

The Balance Billing Reauthorization bill (SB 902) would:

- Remove the sunset to permanently authorize balance billing protections;
- Enable people seeking MH and SUD care to get a referral to go out-of-network, not just those who already have a diagnosis;
- Align the balance billing protections with Maryland's regulatory time and distance standards, to help consumers better understand and take advantage of their rights;
- Require health insurers to provide assistance when individuals cannot find an out-of-network provider on their own;
- Prohibit the use of prior authorization as an additional barrier to getting out-of-network care;
- Ensure balance billing protections for the full duration of the treatment plan requested; and

In summary, SB 902 will reauthorize and strengthen Maryland's balance billing protections, ensuring individuals with mental health and substance use disorders pay no greater cost when their private insurance networks are inadequate. As such, MPS and WPS ask the committee for a favorable report on SB 902. If you have any questions regarding this testimony, please contact Lisa Harris Jones at lisa.jones@mdlobbyist.com.

Respectfully submitted,
The Maryland Psychiatric Society and the Washington Psychiatric Society Legislative Action Committee

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