

Testimony on SB 437

The Honorable Chair Bidle, Vice Chair Hayes, and Members of the Finance Committee. Good afternoon, thank you for the opportunity to address you today it is good to see you and the committee again. I am Dr. Pat Savage, a retired licensed psychologist in Maryland. I am *testifying in strong support for SB 437 on behalf of the more than 1000 members of the Maryland Psychological Association.*

We support this bill for four reasons.

- 1.) It provides increased access to care by encouraging out-of-network providers to offer their services to HMO members by increasing the fees they are paid by at least the rate of inflation. It is well known that mental health care is inadequately reimbursed by insurers. Did you know that over the last 25 years reimbursement rates for counseling by many HMOs has dropped 50%, which has led to a dearth of providers willing to care for HMO members. HMO reimbursement rates have traditionally been far below the usual and customary rates charged by many providers and have not been indexed to reflect inflation. Mid-career, I withdrew from providing care through HMOs for the simple reason that already low reimbursement rates were not keeping up with the rate of inflation, making sustaining a practice unfeasible. My withdrawal allowed me to selectively provide pro-bono or low-cost services to members of my community rather than contribute to insurers' profits.
- 2.) It simplifies and clarifies the administrative aspects of providing mental health

care. Providing mental health care has always been a challenging endeavor. Over my 38 years of practice, providing care became increasingly more complex and burdened by administrative regulations that did little to enhance the quality of care. Anything that can be done to simplify the administrative burden is welcomed.

- 3.) It protects patients and providers by providing a clear formula to determine out of network payments that has been shown to eliminate surprise billing, hence, avoiding patient-provider conflicts that can diminish the effectiveness of mental health care.
- 4.) It allows patients in need of specialized services to more easily obtain them when they are not available through the HMO.

For these reasons, I ask that you provide a FAVORABLE report on SB 437. A small step towards opening the access to care door just a bit wider. Thank you, Senator Lam, for sponsoring this bill

Thank you for this opportunity to speak to you today on this important issue.

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