



One Park Place | Suite 475 | Annapolis, MD 21401-3475
1-866-542-8163 | Fax: 410-837-0269
aarp.org/md | md@aarp.org | twitter: @aarpm
facebook.com/aarpm

HB 11 Health Insurance - Access to Nonparticipating Providers - Referrals, Additional Assistance, and Coverage
House Health and Government Operations Committee
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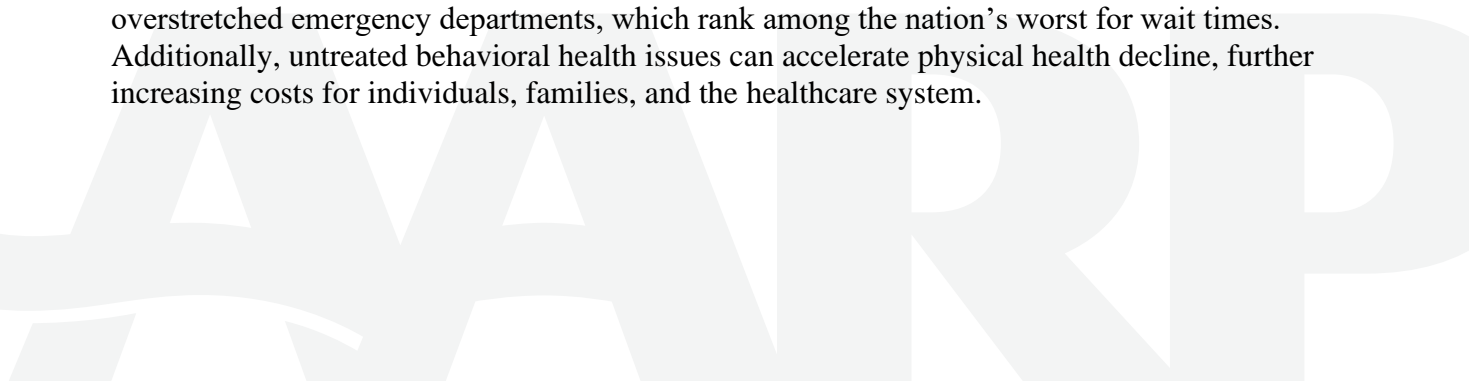
Good afternoon, Chair Peña-Melnyk and members of the House Health and Government Operations Committee. My name is Jim Gutman, a Columbia resident and lead health care advocacy volunteer for AARP Maryland, representing 850,000 members. I am here today to voice AARP Maryland's strong support for **HB 11 Health Insurance - Access to Nonparticipating Providers - Referrals, Additional Assistance, and Coverage**, introduced by Delegate Sample-Hughes, which seeks to improve access to mental health and substance use (MH-SU) care and extend critical protections against unwarranted balance billing.

The COVID-19 pandemic revealed the urgent need for comprehensive behavioral health care, exposing significant gaps in access to MH-SU providers. While some of these challenges are beyond Maryland's control, others require immediate state action to prevent further harm.

Chief among these actions is the removal of the July 2025 sunset on the 2022 law protecting Marylanders from balance billing when they must go out of network for MH-SU treatment. This law was a necessary response to the limited number of in-network MH-SU providers for major insurers, which forced many Marylanders to either forgo care or face significant financial hardship.

This issue affects all Marylanders but has particularly severe indirect and direct implications for older adults. Marylanders aged 50 and above often live on fixed incomes, making them especially vulnerable to the financial burden of out-of-network care, especially if they're not insured by traditional Medicare, which ordinarily is available just to those aged 65 and over. Moreover, many older residents face unique behavioral health challenges, including depression, anxiety, and substance use, often compounded by isolation and chronic health conditions. Despite this growing need, they frequently encounter barriers to accessing timely and affordable MH-SU services because the relatively few affordable providers may not be located nearby or have treatment openings.

When older adults cannot afford MH-SU care, they may delay or forgo treatment entirely, increasing their risk of hospitalization or emergency care. This contributes to Maryland's already overstretched emergency departments, which rank among the nation's worst for wait times. Additionally, untreated behavioral health issues can accelerate physical health decline, further increasing costs for individuals, families, and the healthcare system.



Maryland also lags behind other states in addressing provider-network inadequacies. At least 17 states require insurers to cover out-of-network care at no greater cost to the insured than in-network care. In Maryland, however, residents face some of the highest rates of out-of-network MH-SU utilization. According to the Maryland Parity Coalition, Marylanders see psychiatrists 21 times more often out of network compared to specialty physicians overall, and psychologists 36 times more often. These gaps are partly due to insufficient insurer payments to network providers.

Inadequate networks directly impact care access:

- In 2022, 80% of adults in Maryland needing substance-use treatment did not receive it.
- Overdose-related deaths in Maryland have increased 300% over the last decade, with more than 2,000 deaths annually since 2016.

HB 11 addresses these issues by:

1. **Removing the 2025 sunset provision** to permanently protect residents from excessive balance billing for out-of-network MH-SU care.
2. **Ensuring timely access** by allowing initial referrals for out-of-network MH-SU care, even without a prior diagnosis.
3. **Aligning protections** with Maryland's regulatory time-and-distance standards to enhance transparency and usability.
4. **Mandating insurer assistance** for residents unable to locate nearby in-network providers.
5. **Prohibiting prior-authorization barriers** for necessary out-of-network care.
6. **Developing fair reimbursement rates** for out-of-network MH-SU providers through the Maryland Health Care Commission.

These measures are especially critical for older Marylanders, who are disproportionately impacted by gaps in the behavioral health system. By reducing financial burdens and improving access to care, HB 11 will support healthier aging and better quality of life for these residents and their families.

On behalf of AARP Maryland, I urge a favorable report on HB 11. If you have questions or need additional information, please contact Tammy Bresnahan at tbresnahan@aarp.org or 410-302-8451.

Thank you for your time and consideration.