



Statement of Maryland Rural Health Association (MRHA)

To the Senate Finance Committee
Chair: Senator Pamela Beidle
February 13, 2026

Senate Bill 0490: Maryland Medical Assistance Program - Step Therapy, Fail-First Protocols, and Prior Authorization - Prescription Drugs to Treat Serious Mental Illness

POSITION: SUPPORT

Chair Beidle, Vice Chair Hayes, and members of the Committee, the Maryland Rural Health Association (MRHA) is in SUPPORT of Senate Bill 0490: Maryland Medical Assistance Program - Step Therapy, Fail-First Protocols, and Prior Authorization - Prescription Drugs to Treat Serious Mental Illness.

The MRHA supports SB 0490, which seeks to prohibit Medicaid and Maryland-regulated health plans from implementing fail-first or step-therapy protocols for prescription drugs used to treat specific mental health disorders outlined in the bill, including bipolar disorder, schizophrenia, major depression, PTSD, and medication-induced movement disorders related to the treatment of serious mental illnesses.

Research shows that excessive use of step therapy, fail-first, and prior authorization results in worse health outcomes for patients, administrative burdens for providers, and higher hospitalization rates, especially for patients with serious mental illness.¹ In 2023, 26% of adults who took medication for mental illness experienced prior authorization problems, while only 13% of insured adults who did not seek mental health services experience similar issues.² Patients often pay out-of-pocket for ineffective initial medications, extra office visits, hospital stays, and emergency room visits.¹ This increases costs for both patients and the health system.

In rural areas that are already experiencing health provider workforce shortages, the administrative burden of negotiating prior authorization denials with insurers lies with clinicians.³ This puts further stress on the provider workforce and can lead to burnout. On the patient side, those living in rural areas with less reliable access to the Internet are less able to complete insurance paperwork and negotiate with their insurers.³

MRHA believes this legislation is important to support our rural communities and we urge you to support its passage.



With appreciation,
The Maryland Rural Health Association

1. American Medical Association. Prior authorization delays care—and increases health care costs. American Medical Association. Published August 9, 2024. Accessed February 13, 2026. <https://www.ama-assn.org/practice-management/prior-authorization/prior-authorization-delays-care-and-increases-health-care>
2. Pollitz K, Pestaina K, Lopes L, Wallace R, Lo J. Consumer problems with prior authorization: evidence from KFF survey. KFF. Published September 29, 2023. Accessed February 13, 2026. <https://www.kff.org/affordable-care-act/consumer-problems-with-prior-authorization-evidence-from-kff-survey/>
3. Applied Policy. Prior authorizations and health equity. Applied Policy. Published July 21, 2023. Accessed February 13, 2026. <https://www.appliedpolicy.com/prior-authorizations-and-health-equity/>