inseparable

March 4, 2026

Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

Via electronic submission

RE: Support for SB 774 (Transparency, Reporting, Understanding, Timeliness, and Honesty (TRUTH) in Mental Health Coverage Act)

Chair Beidle, Vice Chair Hayes, and Members of the Committee:

Thank you for the opportunity to submit written testimony. On behalf of Inseparable, a national nonprofit organization focused on closing the treatment gap for people with mental health and substance use conditions, I write in strong support of SB 774, the TRUTH in Mental Health Coverage Act.

Coverage on paper does not always mean care
Across Maryland, families are told mental health and substance use services are "covered," yet when they try to use their benefits they face delays, denials, and dead-end provider lists. Prior authorization requirements, narrow networks, and lower reimbursement for behavioral health make it harder to find in-network care. As a result, many people are pushed out-of-network — where they face far higher out-of-pocket costs — or they delay or go without treatment altogether.

The most recent Maryland-specific data (2021) from RTI International shows how often people had to leave their plan networks to get behavioral health care. Compared to physical health care, out-of-network use was **8.7 times higher** for outpatient behavioral health care and **20.8 times higher** for inpatient behavioral health care – among the 10 worst states nationally. That same year, in-network reimbursement for medical/surgical clinicians was 23% higher than for behavioral health clinicians, indexed to Medicare as an external benchmark. Together, these gaps show that mental health and substance use coverage does not function the same way as medical coverage.

Untreated behavioral health needs drive higher costs
When people cannot access timely mental health or substance use care, the consequences spread across the health system. McKinsey & Company has found that individuals with behavioral health conditions incur two to four times higher total health care costs than those without such conditions. Separate Milliman analyses show total health care costs for individuals with behavioral health conditions can be 3.2 to 6.2 times higher, driven by their untreated behavioral health conditions that drive physical health costs higher. With inadequate

coverage, those higher costs often show up in crisis care and hospital settings, shifting more of the burden to Medicaid and taxpayers.

SB 774 brings transparency to how coverage works
Despite these realities, families and employers cannot compare health plans based on how well they actually deliver mental health and substance use care. Insurers collect detailed data on denials, networks, and reimbursement, but almost none of it is standardized or public, and there is no ongoing reporting to track progress over time.

SB 774 addresses this gap by requiring insurers to report clear, consistent information showing whether people can actually get care — including delays and denials, how often patients must go out-of-network, provider payment levels, and network participation. The Maryland Insurance Administration (MIA) would publish downloadable data so Marylanders can compare plans side by side.

The MIA already collects much of this information, and we are grateful for the discussions we have had with the Administration. SB 774 builds on that work by standardizing and making the information public in ways that are meaningful to families, employers, and policymakers.

Focused on transparency, not new mandates
The bill does not mandate new benefits or set reimbursement rates. It focuses on transparency so policymakers, employers, and families can see whether existing coverage actually translates into access to care.

Maryland families should not be left in the dark about whether “covered” means accessible. By exposing where coverage falls short and where it works, SB 774 promotes accountability and supports better access to care.

We respectfully urge the Committee to issue a favorable report on Senate Bill 774.

Sincerely,

David Lloyd
Chief Policy Officer

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