

# inseparable

April 2, 2026

House Health Committee  
House Office Building, Room 241  
6 Bladen St., Annapolis, MD 21401

*Via electronic submission*

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

Chair Bagnall, Vice Chair Cullison, 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.

Today, consumers and employers remain in the dark about whether mental health and substance use coverage actually works in practice. SB 774 passed the Senate unanimously – reflecting both the urgency of that problem and the straightforward nature of the solution: making visible whether coverage delivers care when Marylanders need it. Other states are also acting, with Oregon and New York publicly reporting similar mental health coverage data.

### ***Transparency that makes coverage measurable***

Insurers already generate extensive data on denials, network use, and reimbursement. What is missing is a consistent, public way to evaluate whether that coverage actually works for patients. SB 774 simply standardizes and publishes that information so it can be used by consumers, employers, and policymakers.

Insurers point to existing federal parity requirements. But those analyses are not public, not standardized across plans, and not designed to allow consumers, employers, or policymakers to compare performance. In practice, they function as compliance documents – not tools for comparison. SB 774 fills that exact gap.

Insurers have also suggested that making this information public would divert “resources away from clinical care.” But the very practices this data would illuminate – delays, denials, and inaccessible networks – are what too often prevent patients from receiving the care they have been promised. **Transparency does not take resources away from care; it exposes when care is not being delivered.**

Thus, insurers' arguments that transparency will somehow detract from care reflect a spurious premise – that making performance visible somehow undermines it. In practice, the opposite is true: **transparency is a basic condition of accountability in any functioning market.**

If existing processes were sufficient, Marylanders would already be able to see and compare how plans perform. They cannot. That is precisely the problem this bill addresses.

#### ***Coverage on paper does not mean access to 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.

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

The bill has been refined in coordination with the Maryland Insurance Administration. In response to feedback, the requirement to create a new public dashboard has been removed, while preserving standardized, publicly available reporting.

**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,

A handwritten signature in blue ink that reads "David Lloyd". The signature is written in a cursive, flowing style.

David Lloyd  
Chief Policy Officer