

April 7, 2026

The Honorable Heather A. Bagnall
Chair, House Health Committee
House Office Building, Room 241
6 Bladen St., Annapolis, MD 21401

RE: Urging a Committee Vote on SB 774 – TRUTH in Mental Health Coverage Act

Dear Chair Bagnall,

The undersigned mental health and substance use provider and advocacy organizations urge the House Health Committee to bring Senate Bill 774, the TRUTH in Mental Health Coverage Act, to a vote. With limited legislative days remaining, this is the moment to move a bill that passed the Senate unanimously and reflects a basic principle: we cannot fix what we cannot see.

Coverage gaps are well-documented

Too many Marylanders are told their mental health and substance use disorder care is covered, only to find that coverage does not deliver when they need it. Families face prior authorization barriers, inappropriate denials, and provider directories that lead nowhere. When in-network care is unavailable, they must go out-of-network and pay far more, or they go without treatment entirely.

The data bear this out. Maryland patients go out-of-network for outpatient behavioral health care at 8.7 times the rate they do for physical health care, and 20.8 times the rate for inpatient behavioral health care – placing Maryland among the ten worst states nationally. In-network reimbursement for behavioral health clinicians is 23 percent lower than for medical and surgical clinicians, indexed to Medicare.¹ These disparities do not reflect a shortage of providers. The high rate of out-of-network use makes clear that providers exist and that patients are finding them; insurers are simply failing to bring them into their networks.

The downstream consequences of inadequate access are significant. When mental health and substance use disorder needs go unmet, people end up in emergency departments and crisis settings. McKinsey estimates that every \$1 invested in mental health can bring economic returns of \$5–\$6.² And for every \$100 health plans invest in behavioral health care, they realize \$190 in savings on physical health costs alone.³ When coverage fails to deliver care, those costs shift to crisis settings, Medicaid, employers, and families.

¹ Tami L. Mark, PhD, MBA and William Parish, PhD, "Behavioral Health Parity – Pervasive Disparities in Access to In-Network Care Continue," *RTI International*, April 17, 2024,

<https://www.rti.org/publication/behavioral-health-parity-pervasive-disparities-access-network-care-continue/fulltext.pdf>.

² McKinsey Health Institute, "Investing in the future: How better mental health benefits everyone,"

<https://www.mckinsey.com/mhi/our-insights/investing-in-the-future-how-better-mental-health-benefits-everyone>.

³ Hawrilenko M et al., "Return on Investment of Enhanced Behavioral Health Services," *JAMA Network Open*, February 5, 2025, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2829859>.

What SB 774 requires

SB 774 requires insurers to report standardized, publicly available information on the metrics that matter most: denial rates, out-of-network use, provider payment levels, and network participation. The Maryland Insurance Administration would make that data downloadable so consumers, employers, and policymakers can compare plans side by side. SB 774 contains no new coverage requirements.

Insurers already collect this information. What is missing is a consistent, public way to use it. The analyses required under existing federal parity rules are not public, not standardized across plans, and not designed for comparison. SB 774 fills that gap.

Industry objections fall short

Opponents have suggested that transparency would divert resources from clinical care. That argument has it backwards. It is inappropriate denials, inaccessible networks, and other coverage barriers that prevent patients from receiving mental health and substance use disorder care. This data would illuminate those practices, which is not a burden on care delivery but a basic condition of accountability in any functioning market.

If existing requirements were sufficient, Marylanders would already be able to see and compare how insurers perform on mental health and substance use disorder coverage. They cannot. SB 774 makes that visible.

Based on feedback from the Maryland Insurance Administration, the bill was amended prior to passing the Senate, and Commissioner Grant testified in support before this Committee last week. The MIA already collects much of this data and recognizes the value of transparency to consumers and purchasers, who will be able to use this data to compare insurers and select plans that deliver on their promises.

The time to act is now

SB 774 passed the Senate without a single dissenting vote. Oregon and New York have also required insurers to report publicly available data on mental health and substance use disorder coverage. The House Health Committee has an opportunity, before the close of this session, to make mental health and substance use disorder coverage measurable and give Maryland families the information they deserve.

We urge the Committee to bring SB 774 to a vote and to issue a favorable report.

Sincerely,

Inseparable
Mental Health Association of Maryland
Behavioral Health System Baltimore
EveryMind
Horizon Foundation
James' Place Inc.

Legal Action Center
The Maryland Association for the Treatment of Opioid Dependence (MATOD)
The Maryland Association of Youth Service Bureaus
The Maryland-DC Society of Addiction Medicine
Maryland Psychological Association
The Montgomery County Federation of Families for Children's Mental Health, Inc.
NAMI Maryland
National Council on Alcoholism and Drug Dependence - Maryland Chapter
On Our Own of Maryland
Pro Bono Counseling Project

*cc: Hon. Bonnie Cullison, Vice Chair of the House Health Committee
Members of the House Health Committee*