



**Senate Bill 586 – Health Insurance - Federal and State Mental Health and
Addiction Parity Laws - Report on Compliance
Finance Committee
25 February 2015
Support**

The *Maryland Women's Coalition for Health Care Reform* (Coalition) is a nonpartisan, statewide alliance of thousands of individuals and 100 organizations. It works to promote health equity through access to high-quality, comprehensive and affordable health care for all Marylanders. We appreciate the opportunity to provide our full support for Senate Bill 586 - Federal and State Mental Health and Addiction Parity Laws - Report on Compliance.

The Coalition has been particularly active in two areas that bear upon the importance of this legislation. First, in our work with Maryland's consumer assistance community we know that health insurance literacy has been a real challenge as individuals make their plan selections. A lack of understanding of the complex terminology led, in some cases to unwise decisions in the choice of plans. Fortunately, much work is being done in this area and improvements made. But, consumers must be assured of the accuracy and completeness of the information they receive and that cannot be achieved unless carriers have an effective reporting plan in place and one which is being enforced by the Maryland Insurance Administration.

At the same time, this legislation creates a reasonable structure that will remove the burden of a complaint-driven process to ensure parity compliance. This is a demonstrably unfair process. It is the carriers not the consumers who are required to be in compliance with State and Federal parity laws. And it is the carriers who are the sole owners of the information necessary in order to determine whether they are in compliance with the law. The low level of health insurance literacy among many health care consumers coupled with the complexity of insurance contracts and laws, make it almost impossible for consumers to identify potential parity violations. Why, then, is the onus on consumers?

The second area where the Coalition has particular expertise relates to the intersection of the Parity Laws with Maryland's delivery system transformation initiatives. The Coalition Chair serves on the Health Services Cost Review Commission's New All-Payer Model (NAPM) Advisory Council and as Chair of the Consumer Engagement Task Force. We know that those with behavioral health conditions place a heavy burden on our health care system. Ensuring compliance with the parity laws through a reasonable reporting requirement is one step towards improving health outcomes, reducing hospital costs, and meeting the State's NAPM markers.

It is worth noting, too, that the Maryland Insurance Administration has set a precedence for taking a proactive approach to consumer protection in its thorough 2015 plan rate review process, and this reporting requirement is another step in the right direction to ensure that consumers are not only paying appropriate rates, but that they are assured access to the behavioral health benefits for which they paid.

For these reasons, we support Senate Bill 586 and urge a favorable report.