



2018 Legislative Agenda

Maryland's Behavioral Health Crisis

Problem:

Maryland's behavioral health crisis is worsening, making it more difficult for Marylanders suffering from **mental health and substance use disorders** to get the care they need.

Solution:

Develop a fully funded, statewide, essential behavioral health treatment system to fill the gaps that prevent people from getting **the right care, at the right time, in the right setting**.

How legislators can help:

Work with hospitals and behavioral health experts to fully understand the depth and breadth of this statewide crisis and **commit the resources** needed to strengthen the health care workforce and expand crisis services.

Maryland's Hidden Sick Tax

Problem:

Maryland's **\$364 million tax** on patients' hospital bills **raises health care costs for Marylanders** and threatens more than \$2 billion in federal funds that come into the state.

Solution:

Protect and enhance the \$35 million spend-down of the sick tax.

How legislators can help:

During budget negotiations, **ensure that the spend-down remains secure** and support efforts to accelerate the spend-down and ultimately eliminate the tax.

Maryland's Out-of-Control Liability Costs

Problem:

Maryland's **highly litigious medical malpractice environment** increases health care costs for Marylanders and jeopardizes Maryland's Hospital All-Payer Model (waiver).

Solution:

Eliminate the litigation lottery so health care resources are spent on patients and their families.

How legislators can help:

Reject attempts to raise the state's cap on non-economic damages and support legislation to create a **no-fault birth injury fund** that improves access to care, lowers costs, and ensures that **babies and families** quickly receive the compensation they deserve.

Fast Facts

Maryland's Behavioral Health Crisis

- The crisis is exacting a heavy toll on Maryland's families. From 2012 to 2016, drug- and alcohol-related intoxication **deaths jumped 161 percent**, from 799 to 2,089.
- It costs **80 percent** more to treat common chronic conditions when depression or anxiety are also present.
- Emergency department visits for behavioral health jumped **18 percent from 2013 to 2016**, while all other emergency department visits dropped **8 percent**.
- Over the past 35 years, state psychiatric hospitals have reduced their capacity by 80 percent, **a loss of more than 3,400 beds**, and today acute-care hospitals' psychiatric beds operate at 99.7 percent capacity.

Maryland's Hidden Sick Tax

- The tax was implemented in 2009 as a **temporary \$19 million assessment** on patient bills to bolster the state's struggling Medicaid budget, but has since increased by more than **1,800 percent**, ballooning to **\$364 million** a year.
- Reducing the tax would directly reduce patients' bills, which are **2.2 percent higher** as a result of the tax; the tax has cumulatively cost tax payers over \$2.8 billion.
- The tax **threatens the success** of Maryland's Hospital All-Payer Model (waiver), which brings more than \$2 billion annually in federal funds into Maryland.

Maryland's Out-of-Control Liability Costs

- **Maryland ranks 12th** in the nation in per capita medical malpractice payouts. In 2016, Maryland's total medical malpractice payout amount was more than \$92.4 million.
- Defensive medical orders – doctors and others protecting themselves from exposure to liability by ordering unnecessary tests, procedures, etc. – account for **13 percent** of all hospital spending; in Maryland, this translates to **\$2 billion in unnecessary spending**.
- While **non-economic** damages are capped, other types of damages, such as all medical expenses, lost wages and past and future income, have no cap.

Contact

Brian Frazee, Director,
Government Relations
bfrazee@mhaonline.org

Neal Karkhanis, Director,
Government Relations
nkarkhanis@mhaonline.org

Jennifer Witten, Director,
Government Relations
jwitten@mhaonline.org

Jane Krienke
Legislative Aide
jkrienke@mhaonline.org