



MARYLAND
CATHOLIC
CONFERENCE

February 14, 2024

Senate Bill 535
Health Insurance – Labor and Delivery Services – Cost-Sharing Requirements
Senate Finance Committee

Position: Favorable

The Maryland Catholic Conference (MCC) is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals, and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

Senate Bill 535 requires certain insurers, nonprofit health service plans, and health maintenance organizations to provide coverage for labor and delivery services. The bill states that specific insurers that provide labor and delivery coverage to individuals or groups on an expense-incurred basis shall cover labor and delivery services without a deductible, coinsurance, co-payment, or any other cost-sharing requirement.

High costs associated with labor and delivery significantly burden postpartum women, disproportionately affecting their financial well-being. This accumulated medical debt poses risks to the growth, development, health outcomes, and food security of children born to mothers grappling with these financial strains. Covering labor and delivery services is crucial not only for allocating funds to potential neonatal ICU services but also for relieving the economic burden on women with pre-existing conditions like gestational diabetes or hypertension, whose pregnancy-related costs are already heightened.

Typical health coverage falls short of adequately addressing the specific financial challenges posed by labor and delivery. Parents, especially, bear a higher likelihood of medical-related debt, with 22% of adults under 30 attributing their healthcare debt to bills from pregnancy and childbirth.¹ Despite health insurance covering a substantial portion of the average childbirth cost of \$18,865, additional fees persist, leaving plan members with an average out-of-pocket cost close to \$3,000.² For those without insurance, the entire cost looms at around \$18,865.10.

¹ <https://www.usnews.com/news/best-states/articles/2023-05-12/new-reports-find-the-cost-of-childbirth-varies-by-state>

² <https://www.forbes.com/advisor/health-insurance/average-childbirth-cost/>

This proposition not only unifies Marylanders but also promotes policies that actively support and uplift mothers and their children, fostering a healthier and more financially secure future for all.

For these reasons, the MCC asks for a favorable report on **SB 535**.

Thank you for your consideration.