March 27, 2024

The Honorable Joseline A. Peña-Melnyk
Chair, House Health and Government Operations Committee
241 House Office Building
Annapolis, MD 21401-1991

RE: Senate Bill 594 – Maryland Medical Assistance Program – Coverage for the Treatment of Obesity – Letter of Information

Dear Chair Peña-Melnyk and Committee members:

The Maryland Department of Health (MDH) respectfully submits this letter of information for Senate Bill (SB) 594 – Maryland Medical Assistance Program – Coverage for the Treatment of Obesity – Required Study. SB 594 requires the Department of Health, in consultation with relevant stakeholders, to study the impact of requiring the Medicaid program to provide comprehensive coverage for the treatment of obesity. The Department anticipates total costs amounting to $250,000 ($125,000 federal funds, $125,000 State general funds) to conduct the study as currently outlined in SB 594.

The scope of the study language as a part of SB 594 would require external actuarial support to complete the analysis, particularly related to examining and estimating any potential savings that may result from comprehensive coverage treatment. Specifically, the study requires the Department to analyze reductions in costs from weight-related comorbidities, including cardiovascular disease, hypertension, sleep apnea, depression, asthma, nonalcoholic fatty liver disease, Type 2 diabetes, knee and hip osteoarthritis, and gout. Further, given the scope of the analysis, MDH would require additional time to complete requirements of the legislation.

The Department intends to continue to closely examine the costs and benefits of covering additional obesity treatments throughout 2024.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov or (410) 260-3190.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Secretary