



**To:** Senate Finance Committee

**Bill:** House Bill 848 - Health Insurance - Adverse Decisions - Reporting and Examinations

**Date:** March 20, 2025

**Position:** Favorable

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The Maryland Academy of Physician Assistants supports *House Bill 848 - Health Insurance - Adverse Decisions - Reporting and Examinations*. This bill requires a carrier to submit a justification to the Insurance Commissioner if it experiences a rise in adverse decisions that equals more than 10% in the immediately preceding calendar year or 25% in the immediately preceding 3 calendar years.

According to data from a joint report of the Maryland Health Care Commission and Maryland Insurance Administration, adverse decisions in Maryland increased around seven percent from 2019 to 2022.<sup>i</sup> An adverse decision occurs when an insurance company denies a request for coverage or takes another action against a policyholder like increasing rates or terminating a policy. Without health insurance coverage, medical costs can increase exponentially, putting people into extreme debt that can lead to credit score damage, debt collection, lawsuits, garnishments, late fees and interest, bankruptcy, and delayed care. This increase in adverse decisions is concerning and prevents people from receiving appropriate and timely care. This bill will help explain the trend and can begin the process of reimagining health insurance in a way that benefits everyone.

We ask for a favorable report. If we can provide any further information, please contact Robyn Elliott at [relliott@policypartners.net](mailto:relliott@policypartners.net).

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<sup>i</sup> Health Insurance – Utilization Review Revisions, An Environmental Scan of the Prior Authorization Process, November 21, 2024, <https://insurance.maryland.gov/Consumer/Appeals%20and%20Grievances%20Reports/Health-Insurance-Utilization-Review-Revisions.pdf>.