



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: February 26, 2025

Bill Number: **SB776**

Bill Title: Workgroup to Study the Rise in Adverse Decisions in the State Health Care System - Establishment

Committee: Senate Finance

**MDOA Position: FAVORABLE**

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The Department of Aging (MDOA) respectfully submits this favorable testimony on Senate Bill (SB) 776 -Workgroup to Study the Rise in Adverse Decisions in the State Health Care System - Establishment.

The Maryland Department of Aging (MDOA) serves as Maryland's State Unit of Aging, administering federal funding for core programs, overseeing the Area Agency on Aging (AAA) network at the local level that provides services, and planning for Maryland's older adult population. MDOA through multiple programs help older adults understand and best take advantage of Medicare and other insurance options. The State Health Insurance Program (SHIP) helps Marylanders compare different Medicare plans, understand coverage and costs of complex options like Medicare Part D (prescription drug coverage) and Medicare Advantage. As needed, SHIP staff assist in navigating lengthy appeals processes. MDOA agrees that adverse decisions occur at concerning rates. Given most Medicare Advantage plans require prior authorization for coverage of some services, SHIP frequently helps beneficiaries appeal denials for care they believe to be medically necessary. In 2023, Medicare Advantage insurers either fully or partially denied 3.2 million prior authorization requests nationally.<sup>1</sup> Only 11.7% of these denials were appealed. Nearly 82% of these appeals resulted in the denial being partially or fully overturned.

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<sup>1</sup> KFF, "Medicare Advantage Insurers Made Nearly 50 Million Prior Authorization Determinations in 2023," available at: <https://www.kff.org/medicare/issue-brief/nearly-50-million-prior-authorization-requests-were-sent-to-medicare-advantage-insurers-in-2023/>



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This highlights an unnecessarily time-consuming and complicated process that can delay diagnosis and/or treatment and at best, force older adults to endure a long appeal process to get their claim ultimately covered. Rising adverse health insurance decisions pose a significant barrier to making our state Longevity-Ready for more older Marylanders in the future. Maintaining comprehensive health insurance coverage is a critical component of being able to afford a healthy longer life.

MDOA is thus supportive of SB776, which will provide the state a clear new set of data to study this alarming trend of adverse decisions more closely. MDOA thanks the Committee chair for this bill and appreciates the collaboration of well-positioned partners at the Maryland Insurance Administration, Health Services Cost Review Commission and the Maryland Hospital Association. For these reasons MDOA urges a favorable report for SB766.

If you have any questions, please contact Andrea Nunez, Legislative Director, at [andrea.nunez@maryland.gov](mailto:andrea.nunez@maryland.gov) or (443) 414-8183.

Sincerely,

Carmel Roques  
Secretary  
Maryland Department of Aging