

WES MOORE  
Governor

ARUNA MILLER  
Lt. Governor



MARIE GRANT  
Acting Commissioner

JOY Y. HATCHETTE  
Deputy Commissioner

DAVID COONEY  
Associate Commissioner  
Life and Health Unit

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202  
Direct Dial: 410-468-2471 Fax: 410-468-2020  
1-800-492-6116 TTY: 1-800-735-2258  
[www.insurance.maryland.gov](http://www.insurance.maryland.gov)

**Date:** March 27, 2025

**Bill # / Title:** House Bill 974 - Health Insurance - Preventive Services - Enforcement Authority

**Committee:** Senate Finance Committee

**Position:** Support

The Maryland Insurance Administration (MIA) appreciates the opportunity to offer this letter of support for House Bill 974.

House Bill 974 directs the MIA to enforce the current state law requiring coverage and limiting cost sharing for preventive health services in a manner that is consistent with the recommendations and guidelines set by specific federal agencies that were effective on December 31, 2024. In addition, House Bill 974 gives the MIA the ability to require carriers to provide coverage without imposing cost-sharing requirements for future preventive services, in accordance with recommendations and guidelines issued after December 31st by those same agencies, depending on whether later guidelines enhance protections for consumers.

Prohibition on cost sharing for high value, preventive services is a key provision of the federal Affordable Care Act and is at this point a longstanding benefit for Maryland insurance consumers. In March 2023, the MIA issued a bulletin reminding carriers of their obligation under state law to cover these services with zero cost sharing. Earlier this year, the MIA issued a bulletin reminding carriers of their obligation to correctly pay claims for preventive care and to educate carriers on the correct way to code such claims. The elimination of cost-sharing requirements for preventive services is an integral part of the consumer protections spelled out in Maryland law and can play a vital role in connecting insureds with needed care.

Following discussions with stakeholders, the MIA notes that provisions of this law may conflict with federal Internal Revenue Code requirements related to health savings accounts (HSA) in the future, depending on whether federal law and guidance changes. Under federal law, high-deductible health plans (HDHP) are only allowed to waive the deductible for preventive care services that the Internal Revenue Service (IRS), acting on the recommendations of certain federal entities, specifically designate as preventive care. House Bill 974 defines preventive care for Maryland, which includes both the services recognized as preventive care as of December 31, 2024, and any future services recommended by those same federal entities that are deemed more

beneficial to the member. If federal guidance changes and Maryland continues to eliminate the deductible for services no longer recognized by the IRS as preventive, a situation could arise where Maryland law directly conflicts with federal law regarding high deductible health plans. The MIA understands that insurers may request an amendment to avoid any future complications that could arise under these circumstances. The MIA is available to work with the sponsor and Committee to provide the appropriate language to address this, as needed.

For the reasons set forth above, the MIA urges a favorable committee report on House Bill 974, and thanks the committee for the opportunity to share its support.