MID-ATLANTIC ASSOCIATION OF COMMUNITY HEALTH CENTERS

House Health Committee
February 12, 2026
House Bill 494 – *Health Insurance – Primary Care Investment Targets – Reimbursement and Reporting*
POSITION: SUPPORT/OPPOSE

The Mid-Atlantic Association of Community Health Centers (MACHC) is the federally designated Primary Care Association for Delaware and Maryland Community Health Centers. As the backbone of the primary care safety net, Federally Qualified Health Centers (FQHCs) are united by a shared mission to ensure access to high-quality health care to all individuals, regardless of ability to pay. FQHCs are non-profit organizations providing comprehensive primary care to the medically underserved and uninsured. MACHC supports its members in the delivery of accessible, affordable, cost effective, and quality primary health care to those most in need. To this end, MACHC **supports** House Bill 494.

MACHC appreciates the General Assembly's recognition, reflected in House Bill 494, that primary care in Maryland remains inadequately financed and that stronger state action remains necessary to rebalance investment toward the foundation of the health care system. MACHC recommends a favorable report on House Bill 494.

FQHCs play a critical role in advancing Maryland's health outcomes and cost-containment goals under the All-Payer Model. Health centers provide comprehensive, team-based primary care in communities with high medical and social needs, integrating behavioral health services, care coordination, chronic disease management, and enabling services such as transportation and outreach. These services are required components of the FQHC model and are central to prevention, access, and continuity of care. Medicaid and Medicare payment policies intentionally recognize the full scope and cost of this care. Both programs reimburse FQHCs using methodologies designed to reflect the reasonable cost of delivering comprehensive primary care to high-need populations. These rates represent deliberate policy decisions aligned with the statutory obligations placed on health centers.

Commercial reimbursement, however, frequently fails to reflect the full range of required FQHC services. Many commercial payment arrangements do not adequately account for care coordination, chronic disease management, and patient navigation and referral support that extend beyond traditional office visits. This persistent misalignment places ongoing financial pressure on health centers and threatens access to care in communities that rely heavily on FQHC services.

House Bill 494 represents an important step toward addressing long-standing imbalances in primary care financing by affirming Maryland's role in establishing meaningful expectations for primary care investment. Continued state attention to the unique role of FQHCs remains essential to ensuring commercial reimbursement supports the comprehensive services required under the FQHC model.

Thank you for your leadership in strengthening primary care financing in Maryland.

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