



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Professional Liability Insurance Coverage - Nursing Homes, Assisted Living Facilities, and Nurse Midwives - Disclosure (HB442)

Support Testimony: Delegate Aaron Kaufman

Health Committee Hearing

Good afternoon Chair Bagnall, Vice Chair Cullison, and members of the committee. My name is Delegate Aaron Kaufman District 18 in Montgomery County, and I respectfully request a favorable report on HB442, legislation of Professional Liability Insurance Coverage - Nursing Homes, Assisted Living Facilities, and Nurse Midwives - Disclosure

HB 442 addresses a fundamental issue of transparency and informed consent in health care and long-term care settings. When Maryland families admit a loved one to a nursing home or assisted living facility, or seek care from a nurse midwife, they reasonably assume that professional liability insurance is in place should serious harm occur. In reality, neither federal nor Maryland law requires consistent liability coverage across assisted living facilities, nursing homes, or for nurse midwives. Families are often not aware of the lack of insurance until an injury or complication has already occurred.¹

We also know that liability claim severity in the senior living and long-term care sector has risen sharply over the past decade. Reports from Liberty Mutual Senior Care Claim show that average indemnity payments for senior care claims have more than doubled, reaching approximately \$226,000 in 2024,

¹ Ctr for Medicare & Medicaid Serv, State Operations Manual, Appendix PP – Guidance to Surveyors for Long Term Care Facilities (2024), <https://www.cms.gov/medicare/provider-enrollment-and-certification/guidanceforlawsandregulations/nursing-homes>.

underscoring that the financial consequences of negligence are significant and very real.² When a facility or provider is uninsured, residents who suffer serious harm may have little or no ability to recover damages even where negligence is clear, leaving families to shoulder medical costs and long-term care needs on their own.

Virginia requires nursing homes and certified nursing facilities to maintain professional liability insurance and provide proof of coverage as part of licensure.³ Nationally, certified professional midwives in Oklahoma, Kansas, and Missouri must carry malpractice insurance as a licensure requirement.⁴ These policies promote transparency and allow individuals and families to make informed decisions about their own care.

Through MD Code, Health Occupations, § 8-515, Maryland has already embraced this disclosure-based approach by requiring advanced practice registered nurses (APRNs) to notify patients in writing if they do not maintain professional liability insurance.⁵ HB 442 builds logically on that existing framework by extending the same transparency framework to nursing homes and assisted living programs settings, where residents face some of the highest risks of serious injury and where the consequences of undisclosed non-coverage can be devastating.

For these reasons, HB 442 represents a measured, responsible consumer-protection policy that aligns with national best practices and Maryland's existing disclosure laws. I respectfully urge the Committee to issue a favorable report.

² Insurance Journal, A Look at Senior Care Liability Claims (Sept. 8, 2025), <https://www.insurancejournal.com/magazines/mag-features/2025/09/08/838017.htm>

³ AARP Pub. Pol'y Inst., Accountability and Consumer Protection in Long-Term Care (2023), <https://www.aarp.org/ppi>.

⁴ Va. Code Ann. § 32.1-127 (Subdivs. 17–18) (2024), <https://law.lis.virginia.gov/vacode/title32.1/chapter5/section32.1-127/>.

⁵ MD Code, Health Occupations, § 8-515 https://mgaleg.maryland.gov/2024RS/chapters_noln/Ch_870_sb0996T.pdf

Footnotes

1. Ctr for Medicare & Medicaid Serv, State Operations Manual, Appendix PP – Guidance to Surveyors for Long Term Care Facilities (2024),
<https://www.cms.gov/medicare/provider-enrollment-and-certification/guidanceforlawsandregulations/nursing-homes>.
(CMS does not require nursing homes to carry professional liability insurance, leaving coverage requirements to state law.)
2. Insurance Journal, A Look at Senior Care Liability Claims (Sept. 8, 2025), <https://www.insurancejournal.com/magazines/mag-features/2025/09/08/838017.htm>
3. Federal Judge Allows Maryland Nursing Home Oversight Lawsuit to Proceed (Apr. 24, 2025), <https://medicareadvocacy.org/md-snf-oversight-case-proceeds/>
4. AARP Pub. Pol’y Inst., Accountability and Consumer Protection in Long-Term Care (2023), <https://www.aarp.org/ppi>.
(Documenting the disproportionate financial harm to older adults and people with disabilities when negligent care is uncompensated.)
5. Va. Code Ann. § 32.1-127 (Subdivs. 17–18) (2024), <https://law.lis.virginia.gov/vacode/title32.1/chapter5/section32.1-127/>.
(Requiring nursing homes and certified nursing facilities to maintain and demonstrate minimum liability insurance coverage.)
6. Do Certified Midwives Need Medical Malpractice Insurance? Understanding the Legal Requirements, RCIns (Oct. 10, 2024) (noting that certified professional midwives in Oklahoma, Kansas, and Missouri are required to carry malpractice insurance whereas Texas does not mandate coverage),
<https://www.rcins.com/do-certified-professional-midwives-need-medical-malpractice-insurance-understanding-the-legal-requirements/>.
7. MD Code, Health Occupations, § 8-515
https://mgaleg.maryland.gov/2024RS/chapters_noln/Ch_870_sb0996T.pdf