



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

February 19, 2026

The Honorable Heather Bagnall
Chair, House Health Committee
241 House Office Building
Annapolis, MD 21401-1991

RE: House Bill 746 – Maryland Medical Assistance Program and Health Insurance – Collaborative Care Model – Cost Sharing Prohibition – Letter of Information

Dear Chair Bagnall and Committee Members:

The Maryland Department of Health (the Department) respectfully submits this letter of information for House Bill (HB) 746, Maryland Medical Assistance Program and Health Insurance – Collaborative Care Model – Cost Sharing Prohibition. HB 746 prohibits the Department from imposing cost sharing on Collaborative Care Model services provided to Maryland Medical Assistance participants.

At this time, the Department does not impose any type of cost sharing for Collaborative Care Model services. Currently, the Department only applies copayments to pharmacy benefits, which are \$1 for generic/preferred drugs and \$3 for brand-name/non-preferred drugs.

Federal requirements will change in the future. Effective October 1, 2028, §71120 of H.R. 1, the One Big Beautiful Bill Act of 2025, requires state Medicaid programs to impose cost sharing on services provided to the Affordable Care Act (ACA) Expansion Adults. Currently approximately 320,000 Medicaid enrollees are ACA adults. Cost sharing cannot exceed \$35 for any care, item, or service, and aggregate out-of-pocket costs for a family cannot exceed 5% of the family's income. Further guidance from the Centers for Medicaid Services (CMS) is needed to understand whether Maryland's existing cost-sharing requirements for pharmacy will be sufficient to satisfy this new requirement or if cost-sharing must be extended to new services, such as collaborative care.

If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Government Affairs at meghan.lynch@maryland.gov or (410) 260-3190.

Sincerely,

Meena Seshamani, M.D., Ph.D.
Secretary