SB 156

Department of Legislative Services

Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 156 (Senator Lewis Young)
Finance

Universal Newborn Nurse Home Visiting Services – Program Establishment and Insurance Coverage

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This bill requires the Maryland Department of Health (MDH) to establish a voluntary statewide program to provide universal newborn nurse home visiting services. Services must be provided by a community lead agency (which may include local public health agencies, local governments, birthing facilities, specified nonprofit organizations, and other organizations). Insurers, nonprofit health service plans, and health maintenance organizations (collectively known as carriers) must provide coverage and reimbursement in full for the cost to a provider for delivering such services. **The bill takes effect January 1, 2026, and applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after that date.**

Fiscal Summary

State Effect: Minimal special fund revenue increase for the Maryland Insurance Administration (MIA) in FY 2026 only from rate and form filing fees; indeterminate MIA special fund expenditure increase in FY 2026 only for contractual services. MDH general fund expenditures increase by *at least* $15.0 million in FY 2026 for administrative costs; future years reflect ongoing costs. Expenditures for Medicaid and the State Employee and Retiree Health and Welfare Benefits Program increase by an indeterminate amount beginning in FY 2026 to reimburse for services (not shown); Medicaid federal matching funds may be available (not shown). **This bill increases the cost of an entitlement program beginning in FY 2026.**

($ in millions)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
SF Revenue	-	$0	$0	$0	$0
GF Expenditure	$15.0	$7.8	$7.9	$7.9	$7.9
SF Expenditure	-	$0	$0	$0	$0
Net Effect	($15.0)	($7.8)	($7.9)	($7.9)	($7.9)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: To the extent a local health department or local government serves as a community lead, local revenues and expenditures increase beginning as early as FY 2026. Potential increase in health insurance premiums for local governments that purchase fully insured plans.

Small Business Effect: Minimal.

Analysis

Bill Summary:

Universal Newborn Nurse Home Visiting Services

The program must provide services that are (1) evidence-based and supported by a national center, as specified; (2) provided by a community lead agency designated to serve a defined community; (3) provided by licensed registered nurses; (4) offered to families caring for newborns up to 12 weeks old (including foster and adoptive newborns) and birthing individuals within 12 weeks after a live birth or stillbirth; (5) provided in the family's home or virtually; and (6) aimed at improving outcomes in one of seven specified domains.

Services must (1) be voluntary and carry no negative consequences for declining participation; (2) be offered in every community in the State; (3) include a specified evidence-based assessment; (4) be offered to all families with newborns in the community where the program operates; (5) include at least one and as many as four visits during the newborn's first 12 weeks of life; (6) include a follow-up call or survey within three months after the last visit; and (7) provide information and referrals to address each family's needs.

Community Lead Agency

A community lead must (1) implement a universally offered newborn nurse home visiting services model, as specified; (2) coordinate with all certified providers in the community so that all families with newborns are contacted within two weeks after the birth of the newborn and offered services; (3) develop and implement strategies (in collaboration with MDH) to obtain funding to facilitate the provision of services; (4) collaborate with other home visiting providers, as specified; (5) maintain a written plan; (6) consider input from an advisory board with specified membership; (7) ensure local community resources are compiled in a web-based format or printed directory and updated at least quarterly for use by service providers; (8) engage in specified quality assurance activities; (9) provide MDH access to data for monitoring and evaluation; (10) coordinate with MDH to address quality improvement needs; (11) on a quarterly basis, submit specified deidentified data

electronically to MDH; and (12) collaborate and coordinate with tribes designated as community leads operating in the same geographic area.

Health Insurance Coverage of Universal Newborn Nurse Home Visiting Services

Carriers may not impose a copayment, coinsurance, or deductible on coverage for universal newborn nurse home visiting services. A carrier may subject such services to a deductible for an insured or enrollee covered under a high-deductible health plan. An insured or enrollee may not be required to receive services as a condition of coverage and may not be penalized or discouraged from declining the services. A carrier must notify an insured or enrollee about the services whenever an insured or enrollee adds a newborn to coverage. A carrier may use in-network providers or contract with local public health authorities to provide universal newborn nurse home visiting services. Carriers must report to MDH data regarding claims submitted for universal newborn nurse home visiting services.

Duties for the Maryland Department of Health

In designing the program, MDH must consult, coordinate, and collaborate with specified stakeholders and adopt regulations, including regulations that define "community" and establish a selection process for a community lead. MDH must collect and analyze data generated by the program to assess its effectiveness and coordinate with other State agencies to develop protocols for sharing data. MDH must establish the form and manner in which data must be submitted and use the data to monitor the provision of universal newborn nurse home visiting services. MDH may apply for a federal waiver to obtain federal financial participation in the cost of providing services. By December 1, 2026, and annually thereafter, MDH must report to specified committees of the General Assembly on the status of the provision of universal newborn home visiting services in the State.

In collaboration with MIA, MDH must adopt regulations that establish (1) criteria for universal newborn nurse home visiting services that must be covered by carriers and (2) the amount of reimbursement to be paid or a methodology to reimburse the cost of universal newborn nurse home visiting services. MDH may adopt by regulation any reasonable reimbursement methodology.

Current Law:

Health Insurance

Under Maryland law, there are more than 50 mandated health insurance benefits that carriers must provide to their enrollees. Health insurance law also regulates or prohibits cost-sharing for certain services.

The federal Patient Protection and Affordable Care Act requires nongrandfathered health plans to cover 10 essential health benefits (EHBs), which include items and services in the following categories: (1) ambulatory patient services; (2) emergency services; (3) hospitalization; (4) maternity and newborn care; (5) mental health and substance use disorder services, including behavioral health treatment; (6) prescription drugs; (7) rehabilitative and habilitative services and devices; (8) laboratory services; (9) preventive and wellness services and chronic disease management; and (10) pediatric services, including dental and vision care.

Under § 31-116 of the Maryland Insurance Article, EHBs must be included in the State benchmark plan and, not withstanding any other benefits mandated by State law, must be the benefits required in (1) all individual health benefit plans and health benefit plans offered to small employers (except for grandfathered health plans) offered outside the Maryland Health Benefit Exchange (MHBE) and (2) all qualified health plans offered in MHBE. The Maryland benchmark plan includes delivery and all inpatient services for maternity care as an EHB.

Current Home Visiting Services in Maryland

MDH currently has a Maternal, Infant, and Early Childhood Home Visiting program supported by a federal funding formula, which is allocated to 10 Maryland jurisdictions with communities that meet the highest need for maternal and child intervention: Baltimore City and Allegany, Baltimore, Caroline, Dorchester, Harford, Prince George's, Somerset, Washington, and Wicomico counties. Fourteen sites in these 10 jurisdictions receive funding. The federal government has approved 19 home visiting models that meet federal evidence-based criteria. In Maryland, seven of these evidence-based home visiting programs are in use (Nurse-Family Partnership, Healthy Families America, Parents as Teachers, Home Instruction for Parents of Preschool Youngsters (HIPPY), Early Head Start, Family Connects, and Attachment Biobehavioral Catch-Up). In fiscal 2024, 337 infants received home visiting services through this program.

Maryland Medicaid currently offers two evidence-based home visiting models, Healthy Families America and Nurse-Family Partnership. Services are available to Medicaid enrollees who are pregnant or have delivered a child within three months. A Medicaid enrollee can obtain services through a provider in their managed care organization network. Approximately 200 households receive home visiting services through Medicaid annually.

State Fiscal Effect:

Potential Eligible Population

According to the March of Dimes, in 2023, there were 65,594 live births in Maryland (of which 3.1% or 2,033 were multiple births), and an estimated 422 stillbirths. Thus, approximately 63,983 households may be eligible for home visiting services under the bill. Approximately half of these households are covered by Medicaid.

Maryland Department of Health

Overall Implementation: Under the bill, MDH must design, implement, and maintain a voluntary statewide program to provide universal newborn nurse home visiting services to all families with newborns. MDH must, among other things, consult with stakeholders, select community leads, coordinate with community leads on quality improvement, collect and analyze data, and report annually on the program. MDH, in collaboration with MIA, must also establish criteria for universal newborn nurse home visiting services that must be covered by carriers and determine required services and reimbursement rates.

To administer the program, MDH advises that it would develop a centralized intake system (and expand the current home visiting database to include the intake system) to receive referrals, coordinate between database vendor and client intake staff, and provide communications equipment such as cell phones and tablets for field staff to manage intake. These costs are estimated at $2,000,000 in fiscal 2026, and $800,000 annually thereafter.

MDH would also administer grants to community leads to deliver universal newborn home visiting services. Based on current services, MDH assumes there will be 21 community leads. Initial start-up costs for each community lead are estimated at $600,000, or a total of $12.6 million in fiscal 2026 only. Once established, annual grants to each community lead are estimated at $300,000, or a total of $6.3 million annually beginning in fiscal 2027. These grants are intended to cover services that are not reimbursed by insurance or Medicaid, model dues (which must be paid to the developers of the home visiting program in order to use the program), training, and administrative overhead.

Thus, for these administrative expenses only, MDH general fund expenditures increase by $15.0 million in fiscal 2026, which accounts for the bill's January 1, 2026 effective date. This estimate reflects the cost of hiring 6.5 positions to support the program: one full-time program administrator III to oversee implementation; one full time program administrator I to lead development of a centralized intake system for perinatal care services and ensure appropriate referrals and follow-up; one database specialist to develop and maintain an online intake and referral system; two full-time nursing program consultant administrators to work with home visiting nurses across the State for quality improvement, standardization

of care, and technical assistance; one full-time health policy analyst to lead quality assurance/improvement efforts; and one part-time (50%) epidemiologist to monitor and analyze data for quality improvement and reporting. It includes grants for community leads, centralized intake system costs, salaries, fringe benefits, travel, one-time start-up costs, and ongoing operating expenses. The workload of grant administration to community leads can be absorbed within existing MDH budgeted resources.

	FY 2026	FY 2027
Positions	6.5	–
Grants for Community Leads	$12,600,000	$6,300,000
Centralized Intake System Costs	2,000,000	800,000
Salaries and Fringe Benefits	352,639	680,073
Travel	23,810	48,096
One-time Start-up Expenses	45,780	–
Ongoing Operating Expenses	3,591	7,255
MDH General Fund Administrative Expenditures	**$15,025,820**	**$7,835,424**

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Additional Home Visiting Personnel

MDH advises that it does not employ the current home visiting workforce, which is not sufficient to serve all newborns in the State. Home visiting staff are typically community health nurses employed by the agencies that provide home visiting services (which, under the bill, may include local public health agencies, local governments, birthing facilities, specified nonprofit organizations, and other organizations). Home visiting models limit the number of families that can be served per nurse in order to ensure each family receives an appropriate level of support. Thus, significant scaling of the home visiting workforce – as many as 73 additional full-time nurses according to MDH – is needed. This analysis does not reflect the cost of expanding the workforce. *For illustrative purposes only,* the annual salary and fringe benefits for a grade 18 community health nurse is approximately $100,000. In total, 73 additional home visiting nurses would cost $7.3 million annually.

Medicaid Reimbursement for Services

Medicaid expenditures increase by an indeterminate but potentially significant amount beginning in fiscal 2026 to cover the cost of nurse home visiting services for Medicaid enrollees. On an annual basis, approximately 32,159 Medicaid households will be eligible to receive services under the bill. However, the percentage of those households that will choose to receive services is unknown. MDH currently reimburses $188 per home visit. Under the bill, each family is eligible for one visit, with the option of receiving up to

three additional visits (or a total of four visits). Thus, the cost per Medicaid household will range from $188 to $752 per household. MDH advises that if all 32,159 households choose to receive home visiting services and receive all four visits, Medicaid expenditures increase by as much as $24.2 million annually. However, the Department of Legislative Services notes that it is unlikely that all households would choose to receive services, nor would every household receive all four visits. Thus, actual Medicaid costs cannot be reliably estimated at this time. *For illustrative purposes only*, should 25% of eligible households receive one home visit each, Medicaid costs increase by $1.5 million annually. If 25% of households participate and receive all four visits, Medicaid costs increase by $6.0 million annually.

MDH notes that receipt of federal matching funds for these services is contingent on federal approval through either an amendment to the Medicaid State Plan (under which current home visiting services are covered) or through a § 1115 demonstration waiver. Should the federal government grant a State Plan Amendment, Medicaid coverage with federal matching funds would not likely begin until July 1, 2026. Should a demonstration waiver be required, MDH advises that it would be submitted as part of the current demonstration waiver renewal with an effective date of January 1, 2027.

Maryland Insurance Administration

The bill requires MIA and MDH to adopt regulations that, among other things, establish the amount of reimbursement to be paid or a methodology to reimburse the cost of universal newborn nurse home visiting services using any reasonable reimbursement methodology. MIA advises that due to lack of expertise in provider reimbursement rate setting it would need to contract with a consultant. The approximate rate for an actuarial consultant is $225 per hour; however, the number of hours required is unknown. Thus, MIA special fund expenditures increase by an indeterminate amount in fiscal 2026 for contractual services to support development of these rates.

Department of Budget and Management

The State Employee and Retiree Health and Welfare Benefits Program is largely self-insured for its medical contracts and, as such, except for the one fully insured integrated health model medical plan (Kaiser), is not subject to health insurance mandates. However, the program generally provides coverage as otherwise required under State law.

The Department of Budget and Management advises that it currently covers some home visiting for new mothers who are breastfeeding. The requirement to cover newborn nurse home visiting services for all individuals covered by the program with newborns for up to four visits would increase annual costs to the program by an indeterminate but potentially significant amount beginning in fiscal 2026. Without knowing the number of enrollees who

would elect to receive these services or the commercial rate that will be set to cover the cost of services, the specific impact cannot be reliably estimated at this time.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 334 (Delegate Kerr, *et al.*) - Health and Government Operations.

Information Source(s): Maryland Association of County Health Officers; Department of Budget and Management; Maryland Department of Health; Maryland Health Benefit Exchange; Maryland Insurance Administration; March of Dimes; Department of Legislative Services

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