

# HOUSE BILL 1376

J5, J1, J4

6lr3433

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By: **Delegate Rosenberg**

Introduced and read first time: February 13, 2026

Assigned to: Health

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program, Maryland Children's Health Program,**  
3 **and Health Insurance – Transfers to Special Pediatric Hospitals – Requirements**

4 FOR the purpose of requiring the Maryland Medical Assistance Program, the Maryland  
5 Children's Health Program, managed care organizations, and certain health  
6 insurers, nonprofit health service plans, and health maintenance organizations to  
7 provide a prior authorization determination regarding a transfer on request of a  
8 special pediatric hospital or referring health care provider, to provide a retrospective  
9 review of a determination of medical necessity under certain circumstances, and to  
10 reimburse a special pediatric hospital or a referring health care provider for  
11 administrative days at the applicable rate for a certain period; and generally relating  
12 to transfers to special pediatric hospitals.

13 BY repealing and reenacting, without amendments,

14 Article – Health – General

15 Section 15–101(a) and (k), 15–102.3(m), and 15–103(a)(1) and (2)(xxvi)

16 Annotated Code of Maryland

17 (2023 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article – Health – General

20 Section 15–158

21 Annotated Code of Maryland

22 (2023 Replacement Volume and 2025 Supplement)

23 BY repealing and reenacting, with amendments,

24 Article – Insurance

25 Section 15–861

26 Annotated Code of Maryland

27 (2017 Replacement Volume and 2025 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
2 That the Laws of Maryland read as follows:

3 **Article – Health – General**

4 15–101.

5 (a) In this title the following words have the meanings indicated.

6 (k) “Special pediatric hospital” means a facility in the State that provides  
7 nonacute medical, rehabilitation, therapy, and palliative services to individuals:

8 (1) Under the age of 22 years; or

9 (2) Who are at least 2 years old and under the age of 23 years and have  
10 co-occurring physical and behavioral health conditions.

11 15–102.3.

12 (m) Beginning January 1, 2026, the provisions of § 15–861 of the Insurance Article  
13 apply to managed care organizations in the same manner that they apply to carriers.

14 15–103.

15 (a) (1) The Secretary shall administer the Maryland Medical Assistance  
16 Program.

17 (2) The Program:

18 (xxvi) Beginning on January 1, 2026, shall provide coverage for a  
19 transfer to a special pediatric hospital in accordance with § 15–861 of the Insurance Article;

20 15–158.

21 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**  
22 **INDICATED.**

23 **(2) “ADMINISTRATIVE DAY” MEANS A DAY DURING WHICH A HEALTH**  
24 **CARE PROVIDER DELIVERS CARE TO A PATIENT WHO NO LONGER REQUIRES CARE**  
25 **FROM THE PROVIDER BUT WHO THE PROVIDER IS UNABLE TO DISCHARGE OR**  
26 **TRANSFER TO ANOTHER CARE SETTING.**

27 **(3) “MEDICALLY NECESSARY” MEANS THAT CARE IS:**

1           **(I) DIRECTLY RELATED TO DIAGNOSTIC, PREVENTIVE,**  
2 **CURATIVE, PALLIATIVE, REHABILITATIVE, OR AMELIORATIVE TREATMENT OF AN**  
3 **ILLNESS, AN INJURY, A DISABILITY, OR ANY HEALTH CONDITION;**

4           **(II) CONSISTENT WITH ACCEPTED STANDARDS OF GOOD**  
5 **MEDICAL PRACTICE; AND**

6           **(III) NOT PRIMARILY FOR THE CONVENIENCE OF THE PATIENT,**  
7 **THE PATIENT'S FAMILY, OR THE PROVIDER.**

8           **(B) The Program and the Maryland Children's Health Program [may]:**

9           **(1) MAY not require prior authorization for a transfer to a special pediatric**  
10 **hospital; BUT**

11           **(2) SUBJECT TO SUBSECTION (C) OF THIS SECTION, SHALL PROVIDE**  
12 **A PRIOR AUTHORIZATION DETERMINATION FOR A TRANSFER TO A SPECIAL**  
13 **PEDIATRIC HOSPITAL ON REQUEST OF THE SPECIAL PEDIATRIC HOSPITAL OR THE**  
14 **REFERRING HEALTH CARE PROVIDER.**

15           **(C) IF THE PROGRAM OR MARYLAND CHILDREN'S HEALTH PROGRAM**  
16 **RECEIVE A REQUEST UNDER SUBSECTION (B)(2) OF THIS SECTION, THE PROGRAM**  
17 **OR MARYLAND CHILDREN'S HEALTH PROGRAM SHALL PROVIDE THE PRIOR**  
18 **AUTHORIZATION DETERMINATION WITHIN 3 BUSINESS DAYS AFTER THE REQUEST IS**  
19 **RECEIVED.**

20           **(D) (1) (I) IF A SPECIAL PEDIATRIC HOSPITAL OR A REFERRING**  
21 **HEALTH CARE PROVIDER DISAGREES WITH A DETERMINATION BY THE PROGRAM OR**  
22 **MARYLAND'S CHILDREN HEALTH PROGRAM THAT A TRANSFER TO A SPECIAL**  
23 **PEDIATRIC HOSPITAL IS NOT MEDICALLY NECESSARY, THE SPECIAL PEDIATRIC**  
24 **HOSPITAL OR THE REFERRING HEALTH CARE PROVIDER MAY REQUEST A**  
25 **RETROSPECTIVE REVIEW BY THE PROGRAM OR MARYLAND CHILDREN'S HEALTH**  
26 **PROGRAM IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE**  
27 **GOVERNMENT ARTICLE.**

28           **(II) THE PROGRAM OR MARYLAND CHILDREN'S HEALTH**  
29 **PROGRAM SHALL CONDUCT A REQUESTED RETROSPECTIVE REVIEW EVEN IF THE**  
30 **ENROLLEE WILL NOT BENEFIT FINANCIALLY FROM THE OUTCOME OF THE APPEAL.**

31           **(2) IF A SPECIAL PEDIATRIC HOSPITAL OR A REFERRING HEALTH**  
32 **CARE PROVIDER REQUESTS A RETROSPECTIVE REVIEW UNDER PARAGRAPH (1) OF**  
33 **THIS SUBSECTION, THE SPECIAL PEDIATRIC HOSPITAL OR THE REFERRING HEALTH**  
34 **CARE PROVIDER SHALL BE REIMBURSED FOR ALL ADMINISTRATIVE DAYS AT THE**

1 APPLICABLE RATE FROM THE DATE OF THE MEDICAL NECESSITY DETERMINATION  
2 UNTIL THE CONCLUSION OF THE RETROSPECTIVE REVIEW.

3 **Article – Insurance**

4 15–861.

5 (a) (1) In this section[, “special] **THE FOLLOWING WORDS HAVE THE**  
6 **MEANINGS INDICATED.**

7 (2) **“ADMINISTRATIVE DAY” HAS THE MEANING STATED IN § 15–158**  
8 **OF THE HEALTH – GENERAL ARTICLE.**

9 (3) **“MEDICALLY NECESSARY” HAS THE MEANING STATED IN § 15–158**  
10 **OF THE HEALTH – GENERAL ARTICLE.**

11 (4) **“SPECIAL pediatric hospital” has the meaning stated in § 15–101 of**  
12 **the Health – General Article.**

13 (b) This section applies to:

14 (1) insurers and nonprofit health service plans that provide hospital,  
15 medical, or surgical benefits to individuals or groups on an expense–incurred basis under  
16 health insurance policies or contracts that are issued or delivered in the State; and

17 (2) health maintenance organizations that provide hospital, medical, or  
18 surgical benefits to individuals or groups under contracts that are issued or delivered in  
19 the State.

20 (c) An entity subject to this section:

21 (1) may not require prior authorization for a transfer to a special pediatric  
22 hospital; **BUT**

23 (2) **SUBJECT TO SUBSECTION (D) OF THIS SECTION, SHALL PROVIDE**  
24 **A PRIOR AUTHORIZATION DETERMINATION FOR A TRANSFER TO A SPECIAL**  
25 **PEDIATRIC HOSPITAL ON REQUEST OF A SPECIAL PEDIATRIC HOSPITAL OR A**  
26 **REFERRING HEALTH CARE PROVIDER.**

27 (D) **IF AN ENTITY SUBJECT TO THIS SECTION RECEIVES A REQUEST UNDER**  
28 **SUBSECTION (C)(2) OF THIS SECTION, THE ENTITY SHALL PROVIDE THE PRIOR**  
29 **AUTHORIZATION DETERMINATION WITHIN 3 BUSINESS DAYS AFTER THE REQUEST IS**  
30 **RECEIVED.**

1           **(E) (1) IF A SPECIAL PEDIATRIC HOSPITAL OR A REFERRING HEALTH**  
2 **CARE PROVIDER DISAGREES WITH A DETERMINATION BY THE ENTITY THAT A**  
3 **TRANSFER TO A SPECIAL PEDIATRIC HOSPITAL IS NOT MEDICALLY NECESSARY, THE**  
4 **SPECIAL PEDIATRIC HOSPITAL OR THE REFERRING HEALTH CARE PROVIDER MAY**  
5 **REQUEST A RETROSPECTIVE REVIEW BY THE ENTITY THAT MADE THE**  
6 **DETERMINATION.**

7           **(2) THE ENTITY THAT IS REQUESTED TO CONDUCT THE**  
8 **RETROSPECTIVE REVIEW SHALL CONDUCT THE REVIEW EVEN IF THE INSURED WILL**  
9 **NOT BENEFIT FINANCIALLY FROM THE OUTCOME OF THE APPEAL.**

10           **(3) IF A SPECIAL PEDIATRIC HOSPITAL OR A REFERRING HEALTH**  
11 **CARE PROVIDER REQUESTS A RETROSPECTIVE REVIEW UNDER PARAGRAPH (1) OF**  
12 **THIS SUBSECTION, THE SPECIAL PEDIATRIC HOSPITAL OR THE REFERRING HEALTH**  
13 **CARE PROVIDER SHALL BE REIMBURSED FOR ALL ADMINISTRATIVE DAYS AT THE**  
14 **APPLICABLE RATE FROM THE DATE OF THE MEDICAL NECESSITY DETERMINATION**  
15 **UNTIL THE CONCLUSION OF THE RETROSPECTIVE REVIEW.**

16           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
17 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or  
18 after January 1, 2027.

19           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 January 1, 2027.