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March 8, 2023

The Honorable Melony Griffith  
Chair, Senate Finance Committee  
3 East  
Miller Senate Office Building  
Annapolis, MD 21401

**Senate Bill 784 – Health Insurance – Labor and Delivery Services – Cost-Sharing Requirements**

Dear Chairman Griffith,

The League of Life and Health Insurers of Maryland, Inc. respectfully **opposes** *Senate Bill 784 – Health Insurance – Labor and Delivery Services – Cost-Sharing Requirements* and urges the committee to give the bill an unfavorable report.

Senate Bill 784 requires insurers to provide labor and delivery services to Marylanders without any cost-sharing. The result of this bill could have dramatic impact on premium and we urge the committee to consider the affordability impact before moving forward with this legislation.

Senate Bill 784 would create a new aspect to an already mandated benefit. We would suggest that the removal of cost sharing would certainly create a new financial aspect to the market that must be explored. Under the ACA, each state must pay, for every health plan purchased through the Maryland Health Benefit Exchange, the additional premium associated with any state-mandated benefit beyond the federally mandated essential health benefits. This means, should the Commissioner include the mandate in the State benchmark plan, the State would be required to defray the cost of the benefits to the extent it applies to the individual and small group market ACA plans.

The League opposes any additional mandated benefits to Maryland's law. Mandated benefits add cost to health insurance policies in our state and limit the ability of insurers to design benefits to best meet the needs of enrollees. Given the potential impact to health insurance costs in the State, Maryland law includes a statutory framework for review and evaluation of proposed mandated benefits by the Maryland Health Care Commission under § 15-1501 of the Insurance Article. The law requires the assessment of a proposed mandate for the social, medical and financial impact of the proposed mandate and equips the General Assembly with such information as the extent to which the service is generally utilized by a significant portion of the population; the extent to which the insurance coverage is already generally available; if

coverage is not generally available, the extent to which the lack of coverage results in individuals avoiding necessary health care treatments; if coverage is not generally available, the extent to which the lack of coverage results in unreasonable financial hardship; and the level of public demand for the service. Before adopting this or any other mandated health benefit, we urge the Committee first request an evaluation of the proposed benefit to facilitate an informed decision.

For these reasons, the League urges the committee to give Senate Bill 784 an unfavorable report.

Very truly yours,

A handwritten signature in black ink, appearing to read "Matthew Celentano", with a long horizontal flourish extending to the right.

Matthew Celentano  
Executive Director

cc: Members, Senate Finance Committee