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Bill # / Title: Senate Bill 217 - Health Insurance - Conformity With Federal Law

Committee: Senate Finance Committee

Position: Support with Amendments

The Maryland Insurance Administration (MIA) appreciates the opportunity to share its support, with technical amendment, for Senate Bill 217, which is a Departmental bill.

Senate Bill 217 conforms sections to Maryland's Insurance and Health-General Articles to align Maryland law with existing federal requirements relating to health insurance found in the *Patient Protection and Affordable Care Act* (PPACA) and the *No Surprises Act* (NSA).

Since the passage of the PPACA and the NSA, Maryland has adopted many federal provisions into state law, and the MIA is already enforcing these provisions under the authority to do so granted in the Insurance Article. However, there is currently a lack of alignment between federal requirements and Maryland State law in some provisions, definitions, and effective dates within the Insurance Article. If passed, Senate Bill 217 will address that misalignment and provide the MIA with clear statutory authority to enforce the certain provisions of the NSA and PPACA.

Of note, Senate Bill 217 clarifies the definitions of "Emergency Services" and "Emergency Medical Conditions" in §19-701(e) of the Health-General Article to mirror that of the NSA. This revision eliminates inconsistencies and ambiguity in several other laws and regulations caused by having different definitions of the same term.

Additionally, revisions within Insurance Article (IN) §§15-1A-03, 15-1A-04, 15-1A-14, and 15-1A-16 will:

- Apply updated provisions related to choice of provider and coverage of emergency services to grandfathered plans,
- Update the definition of "emergency medical conditions" to include a mental health condition or substance use disorder,
- Clarify additional items and services that are not considered "emergency services," and
- Update specified effective dates for new or revised federal regulations related to grandfathered plans, criteria for essential health benefits and discriminatory plan designs, and medical loss ratios.

The bill also revises triggering events for a special enrollment period on the State Marketplace and gives the Health Benefit Exchange the option to adopt expanded open enrollment periods, respectively.

It should be noted that the MIA is working with the Sponsor and Committee staff to draft an amendment to revise a date in §15-1A-01(E)(1) related to the definition of “grandfathered plan” to reflect the updated date for corresponding federal provisions with which Maryland law should align.

The passage of SB 217, and its technical amendment, is essential for the Maryland Insurance Administration to have clear statutory authority to enforce the newly adopted federal provisions of the *No Surprises Act* and the *Patient Protection and Affordable Care Act* that the insurance industry is currently in conformity with.

For these reasons, the MIA urges a favorable committee report on Senate Bill 217. Thank you for your time and consideration.