



Maryland Community Health System

Bill Number: Senate Bill 474 – Health Insurance – Adverse Decisions – Reporting and Examinations

Committee: Senate Finance Committee

Hearing Date: February 12, 2025

Position: Support with Amendment

The Maryland Community Health System (MCHS) strongly supports *Senate Bill 474 – Health Insurance – Adverse Decisions – Reporting and Examinations*. Under existing law, carriers must report on volume of adverse decisions. The legislation proposes that carriers should provide a comprehensive explanation behind the growth of adverse decisions, if the growth meets a certain threshold. The explanation would include changes in medical management regarding claims.

Maryland Community Health System is a network of federally qualified health centers providing primary, behavioral, and dental care to underserved communities throughout Maryland. Our health centers have been severely impacted by the growth in adverse decisions from private insurers and managed care organizations. The number of adverse decisions is beginning to compromise our health centers' ability to meet the health needs of their patients and communities.

We strongly support this bill, as it will provide needed information about the reasons behind the growth in adverse decisions. This information will support ongoing work by regulators, insurers and MCOs, and providers to understand how to address the issue.

We have an amendment request. As we read the existing law and the legislation, the reporting requirements only apply to state-regulated private plans. Many providers have also observed in a growth in adverse decisions from managed care organizations. We recommend that the committee consider an amendment to add managed care organizations to the reporting requirements.

We ask for a favorable with amendment report. If we can answer any questions, please contact Robyn Elliott at relliott@policypartners.net.