



Maryland Community Health System

Committee: Senate Finance Committee

Bill: Senate Bill 437 – Health Maintenance Organizations - Payments to Nonparticipating Providers - Reimbursement Rate

Hearing Date: February 12, 2025

Position: Support

The Maryland Community Health System (MCHS) supports *Senate Bill 437 – Health Maintenance Organizations - Payments to Nonparticipating Providers - Reimbursement Rate*. Maryland Community Health System is a network of federally qualified health centers (FQHC) across the state whose mission is to provide care to underserved communities. MCHS supports legislative initiatives that remove barriers to access to care.

The bill requires health maintenance organizations to reimburse nonparticipating providers a reimbursement rate that takes into consideration the Medicare Economic Index from 2019 to the current year. FQHCs are committed to providing accessible and affordable healthcare services to underserved populations. By ensuring that nonparticipating providers are reimbursed at a fair rate, FQHCs can promote greater access to care for patients who are unable to access participating providers. Taking into account the Medicare Economic Index ensures that reimbursement rates are updated to reflect changes in the cost of providing healthcare services over time. A change like this helps FQHCs cover their costs and maintain sustainability, ultimately allowing them to continue serving their communities effectively.

We ask for a favorable report on Senate Bill 437. If we can provide any further information, please contact Michael Paddy mpaddy@policypartners.net.