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February 12, 2025

The Honorable Pam Beidle
Chair, Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, MD 21401

**Senate Bill 406 – Maryland Medical Assistance Program and Health Insurance – Coverage for
Orthoses (So Every Body Can Move Act)**

Dear Chair Beidle,

The League of Life and Health Insurers of Maryland, Inc. respectfully **opposes** *Senate Bill 406 – Maryland Medical Assistance Program and Health Insurance – Coverage for Orthoses (So Every Body Can Move Act)* and urges the committee to give the bill an unfavorable report.

Senate Bill 406 requires insurers to provide certain coverage related to orthoses and makes related changes to utilization review determinations and reimbursement requirements for these services. The result of this bill could have a dramatic impact on premium and we urge the committee to consider the affordability impact before moving forward with this legislation.

We also have operational concerns about how the bill is drafted. We are concerned about the interpretation of misuse, change in psychological condition of the patient, and other undefined terms. Orthoses themselves also substantially vary in cost depending on the model. If there is a desire to put some limits around cost sharing, it could be related to the cost of that item without insurance. We are aware that some retailers and health systems mark these products up; carriers do not engage in that practice. Carriers also cover medical condition as outlined in the bill, not by activity as drafted in House Bill 383. As with related legislation last year addressing prosthetics, carriers are certainly happy to engage in discussions that might right fit this legislative approach.

That being said, the result of this legislation as introduced would be the creation of a new mandated benefit. 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 406 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