

HB0936_RichardKaplowitz_FWA
02/20/2025
Richard Keith Kaplowitz
Frederick, MD 21703-7134

**TESTIMONY ON HB#0936 - POSITION: FAVORABLE WITH AMENDMENTS
Health Insurance - Cancellation and Nonrenewal of Coverage - Required Notice**

TO: Chair Pena-Melnyk, Vice Chair Cullison, and members of the Health and Government Operations Committee

FROM: Richard Keith Kaplowitz

My name is Richard Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support with amendments of/ HB#/0936, Health Insurance - Cancellation and Nonrenewal of Coverage - Required Notice

Individual health insurance is usually sold as a 12-month contract between you and an insurance company. Health insurers can choose to change or no longer offer (cancel) coverage when your contract with them is over. If this happens, they'll send you a coverage notice.¹

However, there is no requirement that the cancellation notice reaches you so that you can act on it. You might have changed your address, been confined to a medical facility, had postal service problems or been unable, for any reason, to receive their notice. This bill will strengthen how the notification of cancellation is processed to ensure that you receive your notice. It also states that notice can also be sent via electronic means, and that digital notification will become an additional required way in which you are notified.

This bill requires that a carrier provides the written notice of cancellation or nonrenewal of a small group market health benefit plan by certified mail, return receipt requested, and by electronic means and include information regarding additional health benefit coverage options in the notice.

The bill does not anticipate the imposition of additional costs on the policy holder; costs for the notifications are, and should be, the responsibility of the carrier. I would add an amendment to the bill to forbid passing those notification costs to the policyholder.

I respectfully urge this committee to return a favorable report with amendments on HB0936.

¹ <https://www.cms.gov/marketplace/outreach-and-education/insurance-coverage-cancellation.pdf>