

February 13, 2026

The Honorable Pamela Beidle, Chair
Senate Finance Committee
Miller Senate Office Building, 3 East
11 Bladen Street
Annapolis, MD 21401

Testimony in Support – Senate Bill 416 – Health Maintenance Organizations – Payments to Nonparticipating Providers – Reimbursement Rate

On behalf of Baltimore Washington Emergency Physicians Inc., we urge support for Senate Bill 416 to establish a base reimbursement requirement for out-of-network (OON) providers for HMO plans in Maryland similar to current law governing OON reimbursement for PPO plans.

At Baltimore Washington Medical Center, we evaluate more than 74,000 emergency department patients annually. We are the safety net for our community and care for all patients regardless of their ability to pay or what type of health insurance they may have. We are out of network with Kaiser, Maryland's largest HMO. At Baltimore Washington Medical Center Emergency Department we take pride in delivering the highest quality emergent care to our patients. Maryland's combination of arguably the longest wait times and lowest compensation in the nation is a significant competitive disadvantage.

Since the federal No Surprises Act (NSA) took effect in 2022 Maryland providers have seen OON reimbursement fall substantially. The NSA provides important financial protection for patients by ensuring they are protected from unexpected costs. Yet, in the absence of guardrails, the unintended consequences of NSA have resulted in substantial underpayment from payors. The Maryland PPO law provides protections against payors taking advantage of the NSA. Conversely, HMOs in Maryland are essentially choosing their own rates. The rates will continue to decline without justification. This negatively impacts recruitment and retention of talented physicians and provides additional fuel for the ED Wait Times burning platform.

Senate Bill 416 proposes a solution to this problem by implementing a baseline reimbursement rate based on rates prior to the enactment of the NSA when reimbursement was sufficient, and network negotiations were more prevalent and accessible. The legislation mirrors the statute currently in place for PPO plans, which has successfully led to robust and effect provider networks for patients in those plans. As the cost of health insurance continues to rise and more patients seek to manage their healthcare costs by selecting HMO plans, these patient access concerns will continue to worsen and add to current public health concerns. As providers, we are committed to working with the

committee and all stakeholders to find a solution that ensures sufficient access to timely care and reimbursement for essential providers, including fair and competitive compensation for Maryland-based providers. Thank you for your consideration and we urge a favorable report on Senate Bill 416.

Colleen E Holley, MD

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Chair of Emergency Department, Baltimore Washington Emergency Physicians, Inc.