



House Bill 1112 - Health Insurance Coverage Protection Commission - Study on Individual and Group Health Insurance Market Stability

UNFAVORABLE
Senate Finance Committee
March 25, 2026

Thank you for the opportunity to submit testimony on House Bill 1112. The Maryland Managed Care Organization Association (MMCOA), which represents all nine Managed Care Organizations (MCOs) serving Maryland Medicaid members, respectfully requests an unfavorable report on this bill.

Medicaid is a foundational pillar of Maryland's healthcare system, providing coverage to children, pregnant women, seniors, people with disabilities, and working families. Nearly a quarter of Maryland residents—approximately 1.4 million people—rely on Medicaid for access to care. Since the creation of the HealthChoice program in 1997, Maryland has partnered with MCOs to deliver Medicaid services through a managed care model. Today, nearly 90 percent of all Medicaid and Maryland Children's Health Program (MCHP) members are served through HealthChoice.

HealthChoice is a mature, stable, and highly effective delivery system that has demonstrated its ability to scale coverage, maintain access, and operate reliably for more than 25 years, including during periods of extraordinary stress such as the COVID-19 public health emergency. Independent evaluations by the Hilltop Institute have found that managed care oversight has made measurable progress toward the State's core goals of improving access, quality, care coordination, and prevention for low-income Marylanders. These findings reinforce HealthChoice as the foundational and appropriate model for Medicaid delivery in Maryland.

Maryland's MCOs are diverse, including provider-led, health-system-led, local, and national plans. This diversity allows MCOs to align providers, payors, and State policy goals, particularly in critical areas such as primary care, behavioral health integration, maternal health, and care management for high-need populations. As Maryland advances implementation of the AHEAD Model, MCOs play a central role in strengthening primary care through enhanced payments and care management investments that support prevention and chronic disease management.

At the same time, recent federal Medicaid changes have introduced additional eligibility and renewal requirements that place many vulnerable Marylanders at risk of losing coverage. MCOs have partnered closely with the State, providers, community-based organizations, and advocates on outreach and communications efforts to help eligible individuals remain enrolled. As Maryland navigates these operational challenges, now is not the time to divert attention or resources toward studying a wholesale shift away from a managed care system that is demonstrably working.

Maryland's MCOs remain a foundational component of the State's healthcare ecosystem and are essential partners in advancing access, quality, equity, and fiscal sustainability in Medicaid. For these reasons, MMCOA respectfully requests an unfavorable report on House Bill 1112.