

**To:** Senate Finance Committee

**Hearing Date:** Wednesday, March 25th

**Bill:** HB 1112 - Health Insurance Coverage Protection Commission

**Position:** FAVORABLE

Dear Madam Chair and Members of the Committee:

My name is Michael Santome, and I am a healthcare professional residing in Bel Air, Harford County. I am writing to urge a favorable report on HB 1112.

As a Nurse Case Manager working with a team of frontline clinicians, we see the cracks in our healthcare system every single day. The 2025 Budget Reconciliation Act threatens to reduce federal Medicaid funding drastically over the next decade, putting our most vulnerable patients, such as children, the elderly, and those with disabilities, at extreme risk. We cannot simply accept cuts to patient care; we must identify new sources of revenue and eliminate bureaucratic waste.

The sponsor amendment for HB 1112 empowers the state to study transitioning away from our current reliance on middleman Managed Care Organizations (MCOs) in favor of a direct payment, fee-for-service model. Current estimates show that Maryland could save up to \$521 million annually by making this transition. MCOs currently take roughly 13 cents of every Medicaid dollar for overhead and profits, whereas the state would only need about 3 cents to administer the program directly.

But beyond the massive financial savings, we need this transition for the sake of patient safety and clinical integrity.

Under the current MCO model, healthcare professionals spend an exorbitant amount of time fighting administrative red tape, navigating narrow networks, and battling terrible track records of care denials. Instead of worrying if a vital medication or procedure is covered by a patient's specific MCO, a unified statewide system would allow us to actually focus on treating the patient.

When you decrease the paperwork and eliminate the bureaucratic complexity of dealing with multiple MCOs, clinicians are much more likely to accept and serve Medicaid patients.

By removing the middleman, we keep healthcare dollars at the bedside where they belong. I urge you to vote FAVORABLE on HB 1112 so we can protect our patients and our state's healthcare infrastructure.

Thank you,

**Michael Santome, RN, BSN**

Nurse Case Manager | Healthcare Advocate

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