

March 4, 2025

Via E-mail: pamela.beidle@senate.maryland.gov

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

Re: Senate Bill 795 – Regulation of Insurers and Vision Benefit Managers

Dear Chair Beidle and Committee Members:

The League of Life & Health Insurers of Maryland (the “League”) and the American Council of Life Insurers (the “ACLI”) are writing to respectfully express our **opposition to Senate Bill 795** (“SB 795”), which would have significant consequences for Maryland residents who rely on affordable, high-quality vision care. While the bill aims to strengthen consumer protections, several provisions would ultimately raise costs, restrict access, and create compliance and administrative challenges that do not benefit patients. For the reasons outlined below, we oppose this legislation and ask that it be reported unfavorably from this Committee.

First, this bill would include limitations on how vision plans may communicate benefit and discount information to members. The requirements outlined in this bill are so extensive that they would make it extremely difficult to share basic, accurate information that consumers depend on when choosing care. Recent court decisions in other states have already found similar restrictions to be inconsistent with constitutional protections for truthful communication, which raises additional concerns for Maryland.

This legislation would also add new disclosure obligations that would significantly increase administrative workload without improving patient understanding. These requirements would apply only to plans, not providers, leading to an uneven regulatory structure. They may also conflict with federal health-privacy rules, which could place plans in an impossible position—obey state law or follow federal requirements. The increased costs associated with these mandates would inevitably fall on employers and families.

In addition, SB 795 would create new contracting rules that would be difficult, and in some cases impossible, for plans to follow. The bill would require lengthy waiting periods before any contract updates can take effect—even when those updates are needed to comply with new state or federal

The Honorable Pam Beidle

Re: SB 795

Page | 2

laws. It would also restrict a plan's ability to remove providers who fail to meet performance, quality, or regulatory standards. These restrictions could reduce care quality and limit the ability of plans to protect consumers. Some provisions would also require plans to give individualized legal interpretations to providers during contract discussions, which is not feasible and exposes plans to unnecessary liability.

The customer-service requirements proposed in this bill—such as mandatory live call-backs within short timeframes, including weekends and holidays—also do not reflect how healthcare administrative systems function. These rules would require substantial staffing increases and significantly drive up administrative costs without delivering meaningful improvements to patient experience.

This legislation would eliminate common tools used to maintain high-value, efficient networks. For example, it requires plans to accept any provider who meets basic credentialing requirements, even in areas that already have more than enough providers. It also restricts modern employment models and requires the use of outdated billing codes that cannot accurately capture certain conditions or support employer reporting needs. These changes would weaken network quality and increase costs for consumers.

Finally, the bill expands opportunities for lawsuits while narrowing the tools plans may use to prevent fraud, waste, and abuse. This combination makes the system more vulnerable to inappropriate billing while simultaneously exposing plans—and therefore employers and families—to higher costs.

For these reasons, SB 795 would make vision coverage more expensive, less flexible, and less able to protect consumers. The bill would impose extensive obligations on plans while providing little benefit to patients, and in some cases directly limiting their access to accurate information and high-quality care.

We respectfully urge you to **oppose SB 795** and ask that it be given an unfavorable report.

Sincerely,



MATTHEW CELENTANO
Executive Director
League of Life & Health Insurers of Maryland



VINCENT J. RYAN
Regional Vice President – State Relations
American Council of Life Insurers