



Senate Finance Committee

March 4, 2026

Senate Bill 797 – *Maryland Medical Assistance Program and Health Insurance –
Claims for Reimbursement – Downcoding*

POSITION: SUPPORT

The Maryland Academy of Family Physicians (MDAFP) is the largest professional medical specialty society in Maryland, with nearly 1,400 members who are practicing family physicians, family physicians in training, and medical students. The Academy requests your **support** for Senate Bill 797.

Senate Bill 797 seeks to address the practice of health insurers' automatic downcoding of claims, where the insurer overrides the procedural code submitted by a physician and substitutes a lower-paying code determined by the insurer. This legislation prohibits this practice without appropriate review, including having a physician that is board-certified in the same specialty as the provider who is under scrutiny conduct a review before making a final determination.

Downcoding is, plain and simple, the substitution of the insurer's judgment for the clinical expertise of the physician. While insurer review of claims is expected and proper, automatically assuming that the physician has improperly coded a patient visit is entirely *improper*. In a state with nationally low payment rates from insurers, the financial implications of this are obvious. But the less obvious impact is the amount of time and resources that family physicians must devote to reversing an automatic downcoding practice. In an already administratively burdensome world of health insurance claims and processing, physicians should not have their coding decisions be assumed incorrect.

The General Assembly has the power to correct this wrong by enacting Senate Bill 797, and MDAFP respectfully requests that it do so.

For more information call:

J. Steven Wise
Danna L. Kauffman
Andrew G. Vetter
410-244-7000