

**HEATHER BAGNALL**  
*Legislative District 33*  
Anne Arundel County

Health and Government Operations  
Committee



*Annapolis Office*  
The Maryland House of Delegates  
6 Bladen Street, Room 160  
Annapolis, Maryland 21401  
410-841-3406 · 301-858-3406  
800-492-7122 Ext. 3406  
Heather.Bagnall@house.state.md.us

**THE MARYLAND HOUSE OF DELEGATES**  
**ANNAPOLIS, MARYLAND 21401**

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**HB494 - Health Insurance - Primary Care Investment Targets - Reimbursement and Reporting**

Madam Chair, Mr. Vice Chair and members of the esteemed members of the Senate Finance Committee thank you for the consideration of House Bill 494, Health Insurance - Primary Care Investment Targets – Reimbursement and Reporting.

HB 494 is a partner bill to the AHEAD model pillar of accessible, affordable, primary care as well as the state’s effort to use primary care as an upstream tool for wellness. Increased primary care investment is essential to expand the primary care workforce, build interprofessional teams, and ensure an adequate technical infrastructure to support care. HB 494 aligns with the Centers for Medicare & Medicaid Services (CMS), Advancing Healthcare Efficiency through Accountable Design (AHEAD) Model.

Under the AHEAD agreement, CMS will hold Maryland accountable through performance requirements for meeting targets, which include primary care investment, for all payers in the State. The targets are inclusive of expenditures for Medicare, Medicaid, commercial insurance, employer-sponsored insurance, and the State employee health plan. However, though CMS can hold the State accountable, currently there is no established mechanism for the State to hold payers accountable, in turn, for meeting the targets, which is why HB 494 is needed.

HB 494 also grants the MIA enforcement authority to ensure entities meet primary care targets to be established in the bill. The MIA has established authority over and relationships with payers who have the capacity to make the greatest impact in primary care investment. Incorporating a description of their progress into the rate review process makes use of the MIA's existing resources and touchpoints with health plans in the State.

Primary care is the only specialty where increased supply results in lower mortality and more equitable health outcomes, and thus, should be considered a public good.

The Maryland Health Care Commission established the Primary Care Investment Workgroup (PCIW), which includes primary care clinicians, payers, legislators, and other State agencies including HSCRC and the MIA, and has published two annual reports showing that primary care spending has stagnated over the last several years.

Measuring meaningful progress toward targets requires a mechanism for payers to demonstrate compliance. HB 494 will establish a framework under MIA for monitoring primary care spending and complements federal policy that is increasingly focused on investing in primary care.

Supporting Marylanders' access to high-quality primary care is central to the State's goal of ensuring a world-class health system, and to fulfilling the promise of the AHEAD model. Investments in primary care are necessary to reduce disparities, achieve better outcomes, improve population health and help slow total spending. HB 494 provides a clear and enforceable pathway for payers to meet the State's primary care investment target and ensures the transparency needed to monitor progress. For all these reasons, I request a favorable report.