

# MMCOA



MARYLAND MCO ASSOCIATION

## **House Bill 1450 - Health Insurance - Coordination of Benefits - Carrier Responsibilities and Retroactive Denials of Reimbursement**

**UNFAVORABLE**  
**House Health Committee**  
**March 12, 2026**

Thank you for the opportunity to submit testimony on House Bill 1450. The Maryland Managed Care Organization Association (MMCOA) represents all nine Managed Care Organizations (MCOs) that participate in Maryland's HealthChoice program and collectively finance and arrange medical care for nearly 1.3 million Maryland residents.

House Bill 1450 would materially constrain the ability of Medicaid managed care organizations (MCOs) to conduct coordination of benefits (COB) reviews in a manner consistent with their program integrity obligations. COB determinations frequently rely on delayed or incomplete information that is outside the control of MCOs, including retroactive eligibility changes, member-reported coverage, employer-sponsored insurance verification, and responses from third-party payors. By narrowing the timeframe for post-payment COB reviews, the bill shifts financial risk to MCOs and the State before the relevant facts are reasonably knowable and before responsibility for payment can be accurately determined. This misalignment risks increasing payment disputes, undermining program integrity, and incentivizing more conservative front-end claims processing, which may result in additional denials or payment delays.

House Bill 1450 appears to require MCOs to inform providers not only of the identity of a responsible third-party payor, but also of the amount that payor "owes" on a claim. MCOs do not have access to other carriers' benefit designs, allowed amounts, or provider-specific contractual rates and therefore cannot determine another insurer's payment obligation with accuracy. Medicaid is the payer of last resort and limiting COB collections would leave the state taxpayer to pick-up a bill that would otherwise be covered by a private insurer of the Federal Government.

House Bill 1450 establishes an unworkable compliance standard, exposes MCOs to regulatory risk for information they do not possess, and may mislead providers regarding downstream reimbursement. For these reasons, MMCOA respectfully requests an unfavorable report on House Bill 1450.

*Please contact Joe Winn, Executive Director of MMCOA, with any questions regarding this testimony at [jwinn@marylandmco.org](mailto:jwinn@marylandmco.org).*