

March 10, 2026

HB1316 - Universal Health Program - Study and Commission

Position: Favorable

Dear Madam Chair Bagnall, Vice Chair Cullison, and Members of the Committee:

I am a primary care physician in Baltimore City. Many of my patients depend on Medicaid and its services. Medicaid cuts are dangerous for public health and individual health. This healthcare crisis in our state also includes limited access for behavioral health services.

The 2025 Budget Reconciliation Act reduces federal Medicaid funding by \$1 trillion over the next decade. The cuts will be particularly deep in 2027 and 2028. Medicaid is a lifeline for one out of four Marylanders, including children and low income families, people with disabilities, the elderly and working adults who don't have affordable insurance options, and five out of eight nursing home residents. Medically and financially vulnerable folks are living in fear that they or someone in their family will lose Medicaid and the essential medical care they need.

My patients are vulnerable, with chronic conditions, and will be hurt by Medicaid cuts. HB1316 will create a committee dedicated to studying the benefits of a single-payer system in Maryland. Connecticut adopted such a system in 2012 and has saved \$4 billion over the intervening years. Their state has also seen increased participation from clinicians.

A recent white paper published by Physicians for a National Health program estimates that Maryland could save up to \$521 million annually by taking a similar step.

Why? MCOs on average take about 13 cents of every Medicaid dollar for overhead and profits. The state would only need 3 cents on a dollar to administer and run our publicly funded Medicaid program. By removing the

“middle man” the state retains more of each Medicaid dollar which can then be directed towards patients, doctors and caregivers.

In addition to the significant cost savings, transitioning away from an MCO model would also simplify the lives of Medicaid enrollees and the clinicians who care for them. Instead of worrying about whether a specialist is part of their particular MCO’s network, Medicaid enrollees would have a unified statewide network of Medicaid providers to choose from. Instead of worrying about whether a medication or procedure is covered by their patient’s specific MCO, clinicians would have a unified statewide Medicaid system to deal with.

Connecticut has found that a simplified, unified Medicaid system has helped draw physicians into the program. When there is less paperwork and bureaucratic complexity to deal with, clinicians are more likely to choose to serve Medicaid patients.

We owe it to our kids, our seniors, healthcare workers, and our most vulnerable residents to move expeditiously to explore this option. The savings in eliminating the middleman and establishing single-payer care can be used to pay for healthcare treatment, to fund state eligibility operations, and expand the pool of local health department navigators we will need to help people keep up with the new “work requirements.” Additional benefits like simplifying the system for enrollees and providers and a decrease in denials are also worth pursuing.

Other states are actively exploring such plans - Hawaii, Minnesota, Illinois, Wisconsin, New York, Rhode Island and West Virginia.

I urge you to give favorable consideration to this bill.

Thank you.

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