



Committee: House Health Committee

Bill: HB 917 Health Insurance – Retroactive Denial of Reimbursement

Hearing Date: February 26, 2026

Position: Support

The Licensed Clinical Professional Counselors of Maryland (LCPCM) support HB 917 Health Insurance – Retroactive Denial of Reimbursement. This bill changes the timeframe in which a health insurance carrier may retroactively deny payment to a health care provider for provided services from 6 months after the carrier paid the health care provider to 3 months after the date the health care provider provided the service if the carrier has previously provided training on protocols billing standards, and compliance. The bill also prohibits the retroactive denial under certain circumstances.

The intent of HB 917 is to address retroactive denial of payment issues that may arise after a Licensed Clinical Professional Counselor (LCPC) or other health provider has been paid for services by an insurance carrier. LCPCs are often single providers or belong to a small practice that operate with small margins. Initial payments for services already take several weeks but can be much longer depending on circumstances. When payments are retroactively denied several months later, it places significant financial hardship on the provider. Many times, these denials occur for simply violating protocols or billing standards that could have been avoided if the carrier provided clear instructions and training upfront.

LCPCM believes the required training and shortening of the timeframe is a reasonable solution to the problem. Research found that the retroactive denial of reimbursement provision was enacted in 1997 and has not been modified since. Since 1997, billing procedures have been automated, and the use of information technology has made it easier to share training modules and billing requirements with providers.

While HB 917 will assist all providers with managing this issue, a recent RTI International Report found that LCPCs and other mental health specialists are more affected due to patients being more likely to go out of network for treatment and by being told services are not eligible under insurance. These actions placed severe hardship on small and solo practitioners that are already operating on thin margins.

HB 917 institutes a more manageable timeframe for retroactive denials of payment and provides training to ensure providers are not experiencing denials simply for not understanding procedures.

For these reasons, LCPCM urges the Committee to give HB 917 a FAVORABLE Report. Please contact Andrea Mansfield at amansfield@maniscanning.com or (410) 562-1617 if we can provide additional information.