



15 School Street, Suite 200  
Annapolis, Maryland 21401  
410-269-1554

March 5, 2026

The Honorable Heather Bagnall  
Chair, House Health Committee  
240 Taylor Office Building  
Annapolis, MD 21401

**House Bill 1376 – Maryland Medical Assistance Program, Maryland Children’s Health Program,  
and Health Insurance – Transfers to Special Pediatric Hospitals – Requirements**

Dear Chair Bagnall,

The League of Life and Health Insurers of Maryland, Inc. respectfully opposes *House Bill 1376 – Maryland Medical Assistance Program, Maryland Children’s Health Program, and Health Insurance – Transfers to Special Pediatric Hospitals – Requirements* and urges the committee to give the bill an unfavorable report.

The League and our members are sympathetic to the intent to House Bill 1376; however, the major challenge here is capacity. The current health care system does not have enough facilities that have the ability to take in transfers of some of the patients. The creation of an “administrative day,” is only shifts the cost of housing these patients at the expense of carriers with no resolution created for the patient. Counterintuitively, by alleviating the cost pressure on hospitals, the bill inadvertently incentivizes longer lengths of stay. Once again, we understand why the bill was introduced, but unfortunately carriers cannot unilaterally create capacity.

House Bill 1376 changes how carriers can manage care as it removes the requirement that certain hospital days are covered only if medically necessary. It also imposes stricter timing and new reimbursement obligations and creates operational and cost pressures that could impact premium and ability to control utilization.

We would suggest that the financial challenge by the pediatric hospitals could be potentially alleviated by the use of community benefit dollars. There is no doubt that the use of those funds for this challenge would certainly be interpreted as appropriate.

For these reasons, the League urges the committee to give House Bill 1376 an unfavorable report, but we believe that all health care entities need to be involved in this discussion to creatively find a solution.

Very truly yours,

A handwritten signature in black ink, appearing to read "Matthew Celentano", with a long horizontal flourish extending to the right.

Matthew Celentano  
Executive Director

cc: Members, House Health Committee