

Bill Title: HB0971 Maryland Medical Advisory Committee - Duties and Workgroup to Study the Adoption of a Fee-for-Service Model for All Medicaid Services

Position: Favorable

To: House Health Committee

From: Alankrita Olson

Date: 02/24/2026

Dear Madam Chair and members of the Health Committee,

My name is Dr. Alankrita Olson, and I am a preventive medicine physician from Silver Spring. I am a member of Physicians for a National Health Program, and I am submitting this testimony in support of HB0971.

The 2025 Budget Reconciliation Act reduces federal Medicaid funding by \$1 trillion over the next decade. Medicaid is a lifeline for one out of four Marylanders, including nearly half of all children. As a result of these federal cuts, an estimated 175,000 Marylanders will lose coverage over the next few years. Maryland has few options, either reduce services or cut coverage, if additional revenue or savings cannot be identified. This bill provides an opportunity to explore a possible solution: removing managed care organizations (MCOs) from Medicaid.

Our current Medicaid Managed Care Program hemorrhages money through administrative waste, costing 13 cents on the dollar to create bureaucratic hurdles for patients and practitioners alike, and provide MCO administrators with exorbitant salaries. Physicians disproportionately face most of that unnecessary administrative burden. From prior authorizations to appealing denials, we spend more time fighting the system to get our patients the care they need than we do with our patients. Physicians for a National Health Program produced the report this bill is based on and found that since Connecticut removed MCOs from Medicaid in 2012, they have saved \$4 billion, increased physician participation in the Medicaid Program, improved access to care for the residents, and actually saw better health outcomes as a result. If Maryland were to do the same, we could see a potential savings of \$521 million a year.

Beyond the healthcare savings, removing MCOs from Medicaid would improve working conditions for physicians. Not only because of the reduced administrative burden, which means more time with patients, but also because it will improve our ability to coordinate care. Currently, it is very frustrating to get patients to the right specialist with the narrow networks MCOs constructed, and this leads to further delay in care for vulnerable patients, negatively impacting their health. Just last week, I was speaking with a colleague who shared the distress of trying to get a pediatric patient on Medicaid to a pediatric urologist because there was only one in their network. This distress compounds and occurs day in and day out, leading to moral injury in our physicians and other healthcare workers, and is often cited as a reason by so many leaving the field. I believe removing MCOs would improve practitioner satisfaction, increase practitioner participation in the Medicaid

Program, and, as a result, provide patients with choice in doctors. To generate healthcare savings, help physicians provide better care, and improve access for patients, I urge the Health Committee to issue a favorable report on HB0971.