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March 13, 2026

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

House Bill 1565 – Public Health – Obesity Management and Treatment Programs (Healthy Maryland for Every Body)

Dear Chair Bagnall,

The League of Life and Health Insurers of Maryland, Inc. respectfully opposes *House Bill 1565 – Public Health – Obesity Management and Treatment Programs (Healthy Maryland for Every Body)* and urges the committee to give the bill an unfavorable report.

HB 1565 mandates coverage of FDA-approved weight management medications — including GLP-1 agonists like semaglutide (Ozempic/Wegovy) and tirzepatide (Mounjaro/Zepbound) — which carry list prices of *thousands* of dollars per member per month. With obesity affecting roughly 35–40% of Maryland adults, and the bill's broad eligibility criteria (obesity, diabetes, *or* other obesity-related conditions), the eligible population could be enormous. These costs would inevitably be passed on to all policyholders that could have disastrous impacts on premiums and affordability.

The bill's parameters include diagnosis with "obesity, diabetes, or other obesity-related conditions" is extraordinarily expansive. "Other obesity-related conditions" is undefined in the legislation, potentially capturing hypertension, sleep apnea, osteoarthritis, and dozens of other common diagnoses. This creates an effectively unlimited covered population with no actuarial basis for premium setting, undermining plan stability.

Because ERISA preempts state insurance mandates for self-insured employer plans, large employers can simply self-insure to avoid this mandate entirely. The burden falls disproportionately on small employers and individual market policyholders who cannot self-insure, precisely the most cost-sensitive populations. This distortion undermines the bill's goal of broad access.

Experience in other states that have mandated GLP-1 coverage has shown that initial cost projections significantly underestimate uptake once coverage is guaranteed. North Carolina's state employee plan, for example, saw GLP-1 costs balloon rapidly after coverage expansion. Maryland's fiscal analysis should account for this demonstrated pattern before imposing the mandate across all carriers.

Additionally, under the ACA, each state must pay for every health plan purchased through the Maryland Health Benefit Exchange, the additional premium associated with any state-mandated benefit beyond the federally mandated essential health benefits. This means, should the Commissioner include the mandate in the State benchmark plan, the State would be required to defray the cost of the benefits to the extent it applies to the individual and small group market ACA plans.

The League opposes any additional mandated benefits to Maryland's law. Mandated benefits add cost to health insurance policies in our state and limit the ability of insurers to design benefits to best meet the needs of enrollees. Given the potential impact to health insurance costs in the State, Maryland law includes a statutory framework for review and evaluation of proposed mandated benefits by the Maryland Health Care Commission under § 15-1501 of the Insurance Article. The law requires the assessment of a proposed mandate for the social, medical and financial impact of the proposed mandate and equips the General Assembly with such information as the extent to which the service is generally utilized by a significant portion of the population; the extent to which the insurance coverage is already generally available; if coverage is not generally available, the extent to which the lack of coverage results in individuals avoiding necessary health care treatments; if coverage is not generally available, the extent to which the lack of coverage results in unreasonable financial hardship; and the level of public demand for the service. Before adopting this or any other mandated health benefit, we urge the Committee first request an evaluation of the proposed benefit to facilitate an informed decision.

For these reasons, the League urges the committee to give House Bill 1565 an unfavorable report.

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