

March 2, 2026

Delegate Heather Bagnall
Chair, House Health Committee
241 Taylor House Office Building
Annapolis, Maryland 21401

RE: HB 1563, Denial of Coverage of Emergency Room Services

Dear Chair Bagnall:

AHIP appreciates the opportunity to provide comments on House Bill 1563, which would burden Maryland consumers, small businesses, and families with higher costs by prohibiting important efforts by health plans to encourage patients to utilize appropriate care settings solely on the basis that the insured did not experience an emergency medical condition. Maryland already has one of the strongest prudent layperson standards in the country, and HB 1563 would unnecessarily duplicate existing statutory protections.

Health plans facilitate access to quality health care while promoting value-based and cost-effective treatments. The ER is not a cost-effective means for treating non-emergency conditions. Multiple research studies show:

- Non emergency visits to the emergency room (ER) wastes more than **\$38 billion** a year, driving up health care costs and premiums.¹
- The median cost for an ER visit to treat common, non-life-threatening medical conditions is \$1,233.² That is 40% more than the average American pays in rent each month.
- The ER is four times more expensive than outpatient centers such as urgent care centers, retail health clinics, telehealth services, primary care doctors, and nurse lines.

Because the ER is among the most expensive sites of care, health plans work hard to educate their members on the most appropriate venues for care. This includes offering technologies such as access to telehealth services and promoting value-based, coordinated care, and providing updated provider directories. This helps ensure people are receiving appropriate care at the right time and venue.

Health plans provide patients with non-emergency conditions, such as minor sprains, strains, sore throats, minor wounds, etc., access to vastly more efficient and cost-effective options for quality care including urgent care centers, retail health clinics, telehealth services, primary care doctors, or nurse lines, depending on the level of care needed. Seeking treatment at an appropriate venue saves patients both time and money. Urgent care centers, for example, usually have a 30- to 60-minute wait time and an average bill of \$60.³ Additionally, when patients obtain care at the most appropriate place, that care is

¹ New England Healthcare Institute, https://www.nehi-us.org/writable/publication_files/file/nehi_ed_overuse_issue_brief_032610final edits.pdf, March 2010

² PLOS One, <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0055491>, February 27, 2013

³ Ibid.

generally more patient-centered as it is given by a provider that is part of the patient's regular care team, rather than at an ER, which generally focuses on stabilization.

By limiting post-service review, HB 1563 runs counter to these efforts to encourage patients to use lower-cost settings, ultimately leading to cost increases for employers and consumers.

Recommendation: Health plans and their customers continue to face significant pressure from rising health care costs. HB 1563 would further exacerbate these challenges by increasing costs for Marylanders. Accordingly, AHIP urges the House Health Committee to reject HB 1563.

We appreciate the opportunity to provide comments and look forward to continued discussions with you on this important issue.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Keith Lake". The signature is written in a cursive, flowing style.

Keith Lake
Regional Director, State Affairs
klake@ahip.org / 220-212-8008

AHIP is the national association whose members provide insurance coverage for health care and related services. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities, and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being for consumers.