



Maryland Community Health System

Bill Number: House Bill 1464 - Health Insurance - Third-Party Administrators - Verification of Eligibility

Committee: House Health Committee

Hearing Date: March 12, 2026

Position: Support

The Maryland Community Health System (MCHS) supports House Bill 1464 - Health Insurance - Third-Party Administrators - Verification of Eligibility. The bill requires health insurance third-party administrators to provide a reliable way for healthcare providers to verify whether a patient's insurance coverage is active. If a provider checks eligibility through that system and is told the patient is covered, the administrator generally cannot later deny payment for the service because the patient was actually ineligible. The bill prevents retroactive claim denials that leave providers unpaid or shift costs to patients.

MCHS is a network of federally qualified health centers (FQHCs) providing primary care, behavioral health, and dental services to underserved communities across Maryland. MCHS supports the bill because it protects FQHCs from losing payment after they verify a patient's insurance eligibility. FQHCs treat many patients who have complex or changing coverage, so retroactive denials can leave the FQHC unpaid after care is already provided. The bill gives FQHCs greater certainty that if an insurer confirms eligibility, the insurer must honor that confirmation. This helps stabilize revenue for safety-net FQHCs.

We ask for a favorable report on this legislation. If we can answer any questions, please contact Michael Paddy at mpaddy@policypartners.net.