



Committee: House Health Committee

Bill: HB 1153 Maryland Medical Assistance Program and Health Insurance –
Claims for Reimbursement - Downcoding

Hearing Date: March 5, 2026

Position: **SUPPORT**

The Licensed Clinical Professional Counselors of Maryland (LCPCM) **SUPPORT** HB 1153 Maryland Medical Assistance Program and Health Insurance – Claims for Reimbursement – Downcoding. This bill puts several requirements in place that must be met before a carrier can change or “downgrade” a code for provider reimbursement.

LCPCs provide essential behavioral health services to individuals in crisis. They know firsthand the financial and administrative struggles faced when providing services and handling billing practices as small or solo practitioners. The services provided are based on sound clinical judgement to meet the needs of the client. When a health insurance carrier downcodes the service codes used for service reimbursement, it undermines the treatment plan a LCPC may have for his or her client and creates administrative burdens for providers. Downcoding can also reduce access to complex care by disincentivizing providers, and erode trust between providers and insurance carriers leading to provider burnout or potentially the closure of independent practices.

HB 1153 serves to address these matters by prohibiting downcoding in certain circumstances or requiring that procedures be put in place to require notice with an explanation before downcoding occurs. The bill also requires that a final determination to downcode be made by a physician and provides for an appeal of a decision.

These reforms promote fairness, accountability, and transparency for health care providers in health insurance reimbursement practices. They also serve to reduce administrative burdens and financial risks to providers, enabling them to focus on patient treatment instead of unpredictable payment procedures.

For these reasons LCPCM SUPPORTS HB 1153 and urges a FAVORABLE REPORT.

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