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Senate Finance Committee

March 4, 2026

Senate Bill 521 – *Health Insurance – Material Changes to Provider Networks – Notification and Special Enrollment Period*

POSITION: SUPPORT WITH AMENDMENT

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, **supports with amendment** *Senate Bill 521: Health Insurance – Material Changes to Provider Networks – Notification and Special Enrollment Period*. This bill seeks to increase transparency and communication between carriers and enrollees when a provider is terminated from a carrier’s panel, provide advance notice to the Maryland Insurance Administration (MIA) of such terminations, and establish a special enrollment period for enrollees when a provider or health care facility is terminated from a carrier’s panel. Specifically, the bill:

- Requires carriers to provide notice to an enrollee when either a primary care provider terminates or the carrier terminates a primary care provider from the carrier’s panel. The bill expands this requirement to include a provider of behavioral health services when the enrollee has received services from the provider within the last three months. This notice must include contact information that the enrollee may use to direct comments or concerns to the carrier regarding the termination of the provider, instructions on how the enrollee may notify the carrier of the need for transitional care, and the telephone number and e-mail address for the MIA that the enrollee can use for complaints they have against carriers.
- Requires that, if the termination of a provider or health care facility from the carrier’s panel will result in a material change to the access plan, the carrier must provide the MIA with notice 60 days before the anticipated date of termination rather than the current 15 days afterwards and continue to update the MIA until the termination is effective or an agreement is reached and then the carrier must provide final notice of termination to the MIA within 5 business days after effective.
- Establishes a special enrollment period for enrollees for 90 days that begins on the date of termination of the provider from the health benefit plan’s provider plan.

MedChi supports these changes, which are both consumer and provider-friendly. Physicians are increasingly unable to join carrier networks because carriers determine the network is “adequate,” or to continue participating in a carrier’s network due to unfair contractual terms, including low reimbursement rates. It is important to note that, according to the Maryland Health Care Commission’s Insurer and Provider Market Concentration Report, Maryland ranks third from

the bottom in commercial reimbursement rates relative to Medicare. Nationally, the average is 122%; in Maryland, it is 104%. This is even more telling, given that the averages in surrounding states are: DC at 125%, VA at 115%, WV at 119%, and PA at 107%.¹

MedChi recommends two amendments. First, we recommend extending the notice provision to all health care providers rather than limiting it to primary care or behavioral health providers. Second, we are concerned about the carrier's ability to determine "material change" and the lack of transparency into how it determines whether its access plan is adequate. COMAR 31.10.44.02 defines an access plan as "the materials that each carrier is required to file annually with the Commissioner to demonstrate that each of the carrier's provider panels is adequate to meet the needs of its enrollees." However, that information is deemed confidential (COMAR 31.10.44.10). Therefore, if a carrier either fails to renew a physician contract or fails to accept a physician on the carrier's panel, the inability to understand what would constitute a "material change" disadvantages the physician and members of the public. Therefore, we recommend language to ensure greater public accountability in the development of a carrier's access plan and in how it determines material changes and access to meet the needs of its enrollees.

With the above recommended changes, MedChi urges a favorable vote.

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¹ Only Delaware, at 103%, and Alabama, at 98%, are below Maryland.