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BULLETIN 25-9

To: All Interested Parties Including Insurers, Non-Profit Health Service Plans, Health Maintenance Organizations, Dental Plan Organizations, Pharmacy Benefit Managers, and Producers

Re: Summary of Insurance Laws Enacted in 2025

Date: June 5, 2025

The purpose of this Bulletin is to summarize laws enacted during the 2025 Session of the Maryland General Assembly that are enforced by the Maryland Insurance Administration ("MIA") or that otherwise relate to the insurance industry. **The attached summary is intended only as notice of passage of the legislation and is not a representation of the MIA's interpretation of the new laws, nor is it a representation of how the MIA may enforce these new provisions.** All regulated entities should refer to the Chapter Laws of Maryland for the 2025 Session for the complete text of these recently enacted laws. Regulated entities are advised that other bills passed by the General Assembly and not listed on the summary may also affect their business operations in Maryland.

You may obtain a copy of a specific law passed by the General Assembly during the 2025 Session by accessing the Maryland General Assembly's website at mgaleg.maryland.gov or by contacting the Department of Legislative Services at (410) 946-5400. You should refer to the House or Senate Bill number when searching for a law on the website. You may also obtain a copy of "The 90 Day Report – A Review of the 2025 Legislative Session" on the Internet or from Library and Information Services, Office of Policy Analysis, Department of Legislative Services.

For additional information concerning the MIA's summary of 2025 insurance legislation, please contact Jamie Sexton (Associate Commissioner, External Affairs and Policy Initiatives) at Jamie.Sexton@maryland.gov.

I. Life and Health

HB 11 / SB 902 (Chs. 660 and 661) - Health Insurance - Access to Nonparticipating Providers - Referrals, Additional Assistance, and Coverage

Effective on June 1, 2025 (Provisions regarding referral procedures effective January 1, 2026, and apply to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.)

- Amends §§ 15-830(d) and (e) of the Insurance Article to alter and expand existing requirements for referrals to specialists or non-physician specialists for mental health or substance use disorder services who are not part of a carrier's provider panel. The new requirements for carriers indicate when and under what circumstances referrals must be made and additional assistance must be provided to enrollees.
- This provision also limits when a carrier may require utilization review in connection with a member's request for a referral, and requires carriers to ensure that services received under a referral for mental health or SUD care are provided for the duration of the treatment plan at no greater cost to the covered individual than if the covered benefit were provided by a provider on the carrier's provider panel.
- Repeals the termination date for Chapters 271 and 272 of the Acts of 2022.

HB 102 (Ch. 363) - Family and Medical Leave Insurance Program - Revisions

Effective on June 1, 2025

- Amends Title 8.3 of the Labor and Employment Article to make modifications to Maryland's Family and Medical Leave Insurance (FAMLI) Program, by delaying the start dates by 18 months to January 1, 2027 for required contributions, and by at least six months to a date that is between January 1, 2027 and January 3, 2028, as determined and announced by the Secretary of Labor, for benefit payments.
- Amends § 8.3-201 of the Labor and Employment Article, delaying optional participation in the program for self-employed individuals until regulations are adopted by July 1, 2028.

HB 718 (Ch. 696) - Maryland Health Insurance Coverage Protection Commission – Established

Effective on June 1, 2025, and sunsets on June 30, 2029

- Reestablishes the Maryland Health Insurance Coverage Protection Commission to:
    - monitor potential and actual federal changes to the federal Patient Protection and Affordable Care Act (ACA), the federal Mental Health Parity and Addiction Equity Act (MHPAEA), Medicaid, the Maryland Children's Health Program (MCHP), Medicare, and the Maryland All-Payer Model;
    - assess the impact of such changes; and
    - provide recommendations for State and local action to protect access to affordable health coverage.

- Requires the Commission to submit a report on its findings and recommendations to the Governor and the General Assembly by December 31st of each year.

HB 813 (Ch. 730) - Maryland Insurance Administration and Maryland Department of Health - Workgroup to Study Pharmacy Benefits Managers

Effective on June 1, 2025

- Requires the MIA and the Maryland Department of Health (MDH), in consultation with the Prescription Drug Affordability Board, to convene a workgroup of interested stakeholders and third-party experts in the field of drug pricing in Medicaid.
- The workgroup must review: (1) reimbursement for pharmacists; (2) coverage requirements for specialty drugs; (3) exemptions for pharmacy benefits management regulation under the Employee Retirement Income Security Act of 1974 (ERISA); (4) the costs associated with pharmacies contracting with commercial plans versus pharmacies contracting with Medicaid; and (5) provisions of State law regarding pharmacy benefit managers, specialty pharmacies, and anti–steering.
- The MIA and the MDH must submit an interim report on the workgroup's findings and recommendations to specified committees of the General Assembly by December 31, 2025, and a final report by December 31, 2026.

HB 848 / SB 474 (Chs. 669 and 670) - Health Insurance - Adverse Decisions - Notices, Reporting, and Examinations

Effective on June 1, 2025 (Most of the statutory changes have a deferred effective date until October 1, 2025.)

- Amends §§ 15-10A-02(f) and (i) of the Insurance Article to alter and expand the required contents of notices of adverse decisions and grievance decisions.
- Amends § 15-10A-06 of the Insurance Article to require certain information submitted to the Commissioner in the quarterly appeals and grievance reports to be aggregated by zip code and include the reasons for certain increases in adverse decisions and a description of factors which may have contributed to such increase.
- Amends § 15-10B-05 of the Insurance Article to require private review agents to have a direct telephone number and monitored email address dedicated to utilization review; respond to voicemails or emails within a certain period of time; and post utilization review criteria and standards on the member's and provider's pages of its website.

HB 869 / SB 372 (Chs. 482 and 481) - Preserve Telehealth Access Act of 2025

Effective on June 1, 2025

- Amends § 15-141.2 of the Health-General Article and § 15-139 of the Insurance Article to make permanent provisions of law that clarify that telehealth includes certain audio-only telephone conversations between a health care provider and a patient, and that

reimbursement for telehealth services must be at the same rate as if the visit were in person.

- Requires the Maryland Health Care Commission to submit a report to the General Assembly on or before December 1 every 4 years, beginning in 2026, regarding advances or developments in the area of telehealth, including changes in the costs of delivering services through telehealth.

HB 974 (Ch. 745) – Health Insurance – Preventive Services – High Deductible Health Plans and Enforcement Authority

Effective on June 1, 2025

- Amends § 15-1A-10 of the Insurance Article to require carriers to provide coverage for preventive health services without cost-sharing, consistent with federal recommendations and guidelines in effect on December 31, 2024.
- Provides that the Commissioner may adopt regulations necessary to carry out the bill, consistent with federal statutes, rules, and guidance in effect on December 31, 2024, or at a later date that enhances the scope of preventive services to the benefit of consumers in the State. Alternatively, the Commissioner may adopt regulations to require carriers to provide coverage without cost-sharing requirements for any future preventive services recommendations and guidelines issued after December 31, 2024.
- Clarifies that carriers may apply deductibles to certain services for an insured or enrollee covered under a high deductible health plan, as defined in 26 U.S.C. § 223, if it is necessary to preserve the tax-favored status of the plan.
- Notwithstanding any subsequent changes to federal regulations and guidance, carriers subject to § 15-1A-10 will continue to be required to cover the COVID-19 vaccine, without cost-sharing, in accordance with the Advisory Committee on Immunization Practices (ACIP) of the Centers for Disease Control and Prevention (CDC) recommendations as of December 31, 2024. This includes vaccines for healthy children and pregnant women.

HB 995 / SB 776 (Chs. 672 and 671) - Workgroup to Study the Rise in Adverse Decisions in the State Health Care System – Establishment

Effective on June 1, 2025, and sunsets on June 30, 2026

- Establishes a workgroup to study the rise in adverse decisions in the health care system, which will be jointly staffed by the Health Services Cost Review Commission (HSCRC) and the MIA.
- Requires the workgroup to report its findings to specified committees of the General Assembly by December 1, 2025.
- Requires the report to include recommendations for legislation to address the rise in adverse decisions and how to standardize and improve methods for carriers to report on adverse decisions.

HB 1045 (Ch. 469) - Health Insurance, Family Planning Services, and Confidentiality of Medical Records - Consumer Protections – Updates

Effective on June 1, 2025

- Amends Title 15, Subtitle 1A of the Maryland Insurance Article to embed key protections from the Affordable Care Act into state law, and empower the Maryland Insurance Commissioner and the Maryland Health Benefit Exchange to enforce these safeguards.
- Updates key dates throughout the Subtitle to ensure that these safeguards will be enforced consistent with federal rules and guidance in effect on December 31, 2024.
- Clarifies that the Insurance Commissioner and the Commission on Civil Rights share oversight of certain anti-discrimination issues.

HB 1082 (Ch. 468) - Health Insurance - Individual Market Stabilization - Establishment of the State-Based Health Insurance Subsidies Program

Effective on June 1, 2025

- Amends § 31-107 and adds § 31-125 to the Insurance Article to direct the MHBE to consult with the Commissioner to establish and implement the State-Based Health Insurance Subsidies Program to mitigate the impact of a reduction of federal tax credits for health insurance premiums. The program must be designed to maintain affordability for individuals purchasing health benefit plans through Maryland's individual market.
- Specifies funding parameters for the program and conditions under which specific funds may be used.

HB 1315 (Ch. 738) - Vaccinations by Pharmacists and Health Insurance Coverage for Immunizations

Effective on June 1, 2025, and applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2026.

- Amends § 15-817 of the Insurance Article to alter the childhood and adolescent immunizations required to be included in the minimum package of child wellness services in certain health insurance and nonprofit health service plan policies to specify that they are those that are recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention ("ACIP") as of December 31, 2024.
- Specifies that the Commissioner may adopt regulations necessary to carry out the amended requirement, consistent with federal statutes, rules, and guidance in effect on December 31, 2024, or at a later date to account for any new vaccines recommended by ACIP after that date.
- Notwithstanding any subsequent changes to federal regulations and guidance, carriers subject to § 15-817 will continue to be required to cover the COVID-19 vaccine in accordance with the recommendations of the ACIP of the CDC as of December 31, 2024. This includes vaccines for healthy children and adolescents.

HB 297 / SB 5 (Chs. 721 and 722) - Maryland Health Benefit Exchange - State-Based Young Adult Health Insurance Subsidies Pilot Program - Sunset Repeal

Effective on July 1, 2025

- Amends §§ 31–107 and § 31–122 of the Insurance Article to make changes to the title, funding, and administration of the State-Based Young Adult Health Insurance Subsidies Pilot Program.
- Permits the Maryland Health Benefit Exchange (MHBE), in consultation with the Commissioner, to establish subsidy eligibility and payment parameters for the State-Based Young Adult Health Insurance Subsidies Program (the "Program").
- Makes the Program permanent by repealing the June 30, 2026 termination date.
- Changes the administration requirements so that the MHBE is authorized rather than required to establish and implement the Program.
- Provides that the MHBE may not implement the Program for calendar years in which funds from the distribution of the State health insurance provider fee assessment under § 6-102.1 of the Insurance Article are not available.
- For calendar year 2026 and each calendar year thereafter, allows the MHBE, in consultation with the Commissioner, to designate funds from the MHBE Fund to provide annual subsidies to young adults who meet the Program's subsidy eligibility and payment parameters.

HB 930 / SB 848 (Chs. 435 and 436) - Public Health Abortion Grant Program - Establishment

Effective on July 1, 2025

- Adds §§ 13–5501 through 13–5503 to the Health- General Article to establish the Public Health Abortion Grant Program (the "Program") and a corresponding fund (the "Fund") to provide grants to eligible organizations to support abortion care clinical services for which federal funding is prohibited for individuals without sufficient resources.
- Adds § 15-147 to the Insurance Article to require premium funds collected by insurers, nonprofit health service plans, and health maintenance organizations ("carriers") for abortion coverage in accordance with § 1303(b)(2)(b) and (c) of the of the federal Patient Protection and Affordable Care Act and set aside in a separate account (a "segregated account") be used to provide coverage for abortion care clinical services.
- Requires that, before March 1 of each year, carriers submit to the Commissioner an accounting of receipts, disbursements, accrued interest, and year-end balance for their segregated accounts.
- Provides that, if a carrier's segregated account balance exceeds disbursements, the Commissioner shall order the transfer of 90% of the excess (plus accrued interest) to the Fund: (i) on or before September 1, 2025 for each of the Plan Years 2014 through 2023; and (ii) on or before July 1 each year, beginning in 2026, for the preceding Plan Year.

HB 939 / SB 674 (Chs. 294 and 293) - Maryland Commission for Women - Maryland Collaborative to Advance Implementation of Coverage of Over-the-Counter Birth Control
Effective on July 1, 2025

- Requires the Maryland Commission for Women within the Department of Human Services to establish the Maryland Collaborative to Advance Implementation of Coverage of Over-the-Counter Birth Control ("the Collaborative").
- The purpose of the Collaborative is to study and make recommendations to advance access to over-the-counter (OTC) birth control through: (1) implementation of State coverage requirements for OTC birth control at pharmacies; (2) advancement of point-of-sale coverage options at retail counters, virtual retail platforms, and vending machines; (3) identification of public health initiatives to increase access to OTC birth control for individuals who do not have OTC birth control coverage or cannot access OTC birth control coverage; and (4) enhancement of education and engagement of consumers, health care practitioners, public health and community programs, and health care industry stakeholders.
- The Collaborative must submit an interim and final report of its findings and recommendations to the Governor and Maryland General Assembly by January 1, 2026, and December 1, 2027, respectively.

SB 547 (Ch. 741) - Commission to Study Health Insurance Pooling - Establishment
Effective on July 1, 2025

- Establishes the Commission to Study Health Insurance Pooling ("the Commission") to study the pooling of public employee health insurance purchasing between the State, counties, municipal corporations, and county boards of education in the State, to maximize value and efficiency while maintaining a broad package of benefits and reasonable premiums for public employees.
- The Commission consists of 25 members, including the Maryland Insurance Commissioner – or the Commissioner's designee – and one individual, appointed by the Governor, who is an insurance agent in the state.
- The Commission must make legislative or regulatory recommendations to the Governor and the Maryland General Assembly by December 1, 2026.
- The Commission will remain effective for a period of two years.

HB 424 / SB 357 (Chs. 611 and 610) - Prescription Drug Affordability Board - Authority and Stakeholder Council Membership (Lowering Prescription Drug Costs for All Marylanders Now Act)
Effective on October 1, 2025

- Repeals the requirement that the Prescription Drug Affordability Board (PDAB), in consultation with its stakeholder council, report to specified committees of the General Assembly by December 1, 2026 regarding upper payment limits (UPLs).

- Requires the PDAB to determine whether it is in the best interest of the State to set UPLs for purchases and payor reimbursements of prescription drug products in the State that have led or will lead to an affordability challenge.

HB 820 (Ch. 747) - Health Insurance - Utilization Review - Use of Artificial Intelligence
Effective on October 1, 2025

- Amends § 15–10A–06 of the Insurance Article to require carriers to include information as to whether Artificial Intelligence ("AI"), algorithms, and/or other software tools were used in making an adverse decision in their quarterly appeals and grievance reports that are submitted to the MIA.
- Adds a new § 15–10B–05.1 to the Insurance Article defining AI as "an engineered or machine–based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that can influence physical or virtual environments."
- Requires certain carriers, pharmacy benefit managers, and private review agents to ensure that AI, algorithms, or other software tools base their determinations on:
    - an enrollee's medical or other clinical history;
    - individual clinical circumstances as presented by the requesting provider; or
    - other relevant clinical information contained in the enrollee's medical record.
- Imposes certain requirements upon carriers, pharmacy benefit managers, and private review agents in their use of AI, algorithms, or other software tools in utilization review, including ensuring that such tools do not:
    - solely base their determination on a group dataset;
    - replace the role of a health care provider in the determination process;
    - result in unfair discrimination; or
    - directly or indirectly cause harm to an enrollee.
- Requires an AI, algorithm, or other software tool to be open to inspection for audit or compliance reviews.
- Requires written policies and procedures in the utilization review plan submitted under § 15-10B-05 of the Insurance Article, to include how an AI, algorithm, or other software tool will be used and what oversight will be provided.
- Requires, if necessary, the performance, use, and outcomes of an AI, algorithm, or other software tool to be reviewed and revised, at least quarterly, to maximize accuracy and reliability.
- Prohibits an AI, algorithm, or other software tool from denying, delaying, or modifying health care services.

HB 1007 (Ch. 394) - Disability and Life Insurance - Medical Information (Genetic Testing Protection Act)

Effective on October 1, 2025

- Adds § 27-909.1 to the Insurance Article to prohibit carriers that offer, issue, or deliver a life insurance or disability insurance policy in the State from:
  - unfairly discriminating against an individual by conditioning insurance rates, the provision or renewal of insurance coverage, or other conditions of insurance based on medical information, including the results of a genetic test for which there is not a relationship between the medical information and the cost of the insurance risk that the insurer would assume by insuring the applicant;
  - accessing the genetic data of an individual without first obtaining the individual's signed, written consent; and
  - mandating existing or new genetic testing or full genome sequencing as perquisite for life insurance or disability insurance eligibility or coverage.

HB 1069 (Ch. 396) - Life and Health Insurance Policies and Annuity and Health Maintenance Organization Contracts - Discretionary Clauses – Prohibition

Effective on October 1, 2025 (Applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after January 1,2026.)

- Amends § 12-211 of the Insurance Article to prohibit insurers, non-profit health service plans, and health maintenance organizations from selling, delivering, or issuing, a health insurance policy, a life insurance policy, an annuity contract, or an HMO contract that contains a discretionary clause.

HB 1292 (Ch. 648) - Health Insurance - Provider Directory - Required Updates

Effective on October 1, 2025

- Amends § 15-112 of the Insurance Article:
  - changes the term "network directory" to "provider directory" to conform State statute with the language in the federal "No Surprises Act;"
  - specifies the information that carriers must provide to their members in the printed version of their provider directories; and
  - decreases the required time period for carriers to update their provider directory information on the website from within 15 working days to within 2 working days. The required time period remains within 15 working days for dental carriers.
- Requires the Commissioner to report to the General Assembly by January 1, 2026 on any changes to regulations related to the accuracy of provider directories.

HB 1351 (Ch. 746) - Health Insurance - Provider Panels - Credentialing for Behavioral Health Care Professionals

Effective on October 1, 2025

- Amends § 15-112 of the Insurance Article, adding new (g)(3)(iv) to specify that, within 60 days after receipt of a completed application submitted by certain behavioral health providers, a carrier must accept or reject the application for participation on the carrier's provider panel and send written notice of the acceptance or rejection to the address listed in the application.
- The requirement applies to applications from a licensed master social worker, licensed graduate alcohol and drug counselor, licensed graduate marriage and family therapist, licensed graduate professional art therapist, licensed graduate professional counselor, or registered psychology associate who provides community-based health services for an accredited behavioral health program.
- Amends § 15-112(g)(2)(ii) of the Insurance Article to remove a licensed graduate social worker from the list of providers of community-based health services that a carrier is prohibited from rejecting for participation on the carrier's panel.

SB 956 (Ch. 740) - Health Insurance - Medicare Supplement Policies - Insurance Producer Commission

Effective on October 1, 2025

- Adds § 15-922.1 to the Insurance Article to require that carriers pay the same commission rates to an insurance producer for the sale of a Medicare supplement policy – without regard to whether the policy is sold during an open enrollment period, as an underwritten policy, or within 30 days following the birthday of an individual enrolled in a Medicare supplement policy.

HB 459 / SB 374 (Chs. 655 and 656) - Counties - Cancer Screening for Professional Firefighters - Required Coverage (James "Jimmy" Malone Act)

Effective on January 1, 2026

- Amends § 9–114 of the Local Government Article to require a county that offers a self-insured employee health benefit plan to provide to each firefighter employed by the county coverage for preventive cancer screenings in accordance with the latest screening guidelines issued by the International Association of Fire Fighters (IAFF).
- Forbids a county from imposing a copayment, coinsurance, or deductible on such coverage.
- Requires that each county subject to the bill collect and submit specified data to the Maryland Health Care Commission (MHCC) by June 1 of 2027 and 2028.
- Requires the MHCC to study the impact of expanding the preventive cancer screenings required by the bill to the commercial insurance market and report the results to the General Assembly by December 1, 2028.

HB 666 / SB 60 (Chs. 684 and 685) - Maryland Medical Assistance Program and Health Insurance - Required Coverage for Calcium Score Testing

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Amends §§ 15-102.3 and 15-103(a) of the Health General-Article to require managed care organizations and the Maryland Medical Assistance Program to provide coverage for calcium score testing, in accordance with § 15-861 of the Insurance Article.
- Adds § 15-861 to the Insurance Article to require carriers to provide coverage for calcium score testing in accordance with the most recent guidelines issued by the American College of Cardiology that expand the scope of preventive care services for the benefit of consumers.

HB 936 (Ch. 744) - Health Insurance - Cancellation and Nonrenewal of Coverage - Required Notice

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Amends § 15-1212 of the Insurance Article to require a carrier to send notice of cancellation or nonrenewal of coverage of a small employer health benefit plan to each enrolled employee delivered by electronic means, in addition to the written notice required under current law.
- Requires that the notice include:
    - Information on additional health benefit coverage options, including continuation through the Consolidated Omnibus Budget Reconciliation Act (COBRA), if available; and
    - Plans available through the MHBE.

HB 970 / SB 646 (Chs. 688 and 689) - Health Insurance - Insulin - Prohibition on Step Therapy or Fail-First Protocols

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Amends § 15-142(e) of the Insurance Article to prohibit carriers from imposing a step therapy or fail-first protocol for a prescription drug approved by the FDA that is insulin or an insulin analog used to treat Type 1, Type 2, or gestational diabetes.

HB 1086 (Ch. 683) - Maryland Medical Assistance Program and Health Insurance - Coverage for Anesthesia - Prohibiting Time Limitations

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Adds § 15-861 to the Insurance Article to require carriers that cover the delivery of anesthesia for a procedure to provide coverage for the entire duration of the procedure, including medical care related to the delivery of anesthesia that is provided immediately before and after the procedure, and prohibits carriers from establishing, implementing, or enforcing a policy, practice, or procedure that places time limitations on the delivery of anesthesia.
- Amends §§ 15-102.3 and 15-103(a) and adds § 15-157 to the Health-General Article to require managed care organizations and the Maryland Medical Assistance program to provide coverage for anesthesia in accordance with § 15-861 of the Insurance Article.

HB 1087 / SB 921 (Chs. 706 and 707) - Health Insurance - Step Therapy or Fail-First Protocols - Drugs to Treat Associated Conditions of Advanced Metastatic Cancer

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Amends § 15-142(e) of the Insurance Article to prohibit carriers from imposing a step therapy or fail-first protocol for a covered prescription drug approved by the U.S. Food and Drug Administration (FDA) that is prescribed by a treating physician to treat a symptom of or side effect from treatment of an enrollee's stage four advanced metastatic cancer.
- Specifies that the prohibition applies only if the use of the prescription drug is consistent with best practices for the treatment of stage four advanced metastatic cancer, a condition associated with stage four advanced metastatic cancer, or a side effect associated with stage four advanced metastatic cancer and supported by peer-reviewed medical literature.

HB 1243 / SB 975 (Chs. 729 and 728) - Health Insurance - Coverage for Specialty Drugs

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Creates § 15-847.2 of the Insurance Article to prohibit certain carriers from excluding coverage for a covered specialty drug administered or dispensed by an in-network provider of covered oncology services, provided they adhere to State regulations, and the drug is an auto-injected treatment, an oral targeted immune modulator, or an oral medication that requires complex dosing based on clinical presentation or is used alongside other infusion or radiation therapies.
- Specifies that if this prohibition applies, the reimbursement rate for a covered specialty drug must be agreed to by the carrier and the covered, in-network provider and billed at a nonhospital level of care or place of service, and unless otherwise agreed to by the covered,

in–network provider and the carrier, not exceed the rate applicable to a designated specialty pharmacy for dispensing the covered specialty drugs.

- Amends § 15-847 of the Insurance Article to specify that the bill may not be construed to supersede the authority of the HSCRC to set rates for specialty drugs administered to patients in a setting regulated by HSCRC.

HB 1301 (Ch. 612) - Maryland Medical Assistance Program, Maryland Children's Health Program, and Health Insurance – Transfers to Special Pediatric Hospitals – Prior Authorizations

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Adds § 15-861 to the Insurance Article to prohibit carriers from requiring prior authorization for a transfer to a special pediatric hospital.
- Amends § 15-101 of the Health-General Article to define "special pediatric hospital."
- Amends §§ 15-102.3, 15-103(a) and adds § 15-157 to the Health General-Article to prohibit the Maryland Medical Assistance Program from requiring prior authorization for transfers to a special pediatric hospital.

HB 1355 / SB 641 (Chs. 742 and 743) - Health Insurance - Required Coverage - Hearing Aids

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Amends § 15-838.1 of the Insurance Article to enhance the current mandated benefit for medically appropriate and necessary hearing aids for adults to require coverage if the hearing aids are ordered, fitted, and dispensed by a licensed hearing aid dispenser.

SB 773 (Ch. 692) - Health Benefit Plans - Calculation of Cost-Sharing Contribution - Requirements

Effective on January 1, 2026, and applies to all policies, contracts and health benefit plans issued, delivered or renewed in the State on or after this date.

- Adds a new § 15-118.1 to the Insurance Article to require carriers, when calculating an enrollee's contribution to a cost-sharing requirement, to include any discount, financial assistance payment, product voucher, or other out-of-pocket expense made by or on behalf of the enrollee for covered prescription drugs that do not have a generic equivalent, or have a generic equivalent and the enrollee obtained coverage through prior authorization, a step therapy protocol, or the exception or appeal process.
- If an enrollee is covered under a high-deductible health plan, as defined in 26 U.S.C. § 223, the requirements for calculating the enrollee's contribution to cost-sharing do not apply to the deductible requirement.

- Sets forth that a carrier may not directly or indirectly set, alter, implement, or condition the terms of health benefit plan coverage based on information about the availability or amount of financial or product assistance available for a prescription drug.
- Requires persons, other than charitable organizations, providing a discount, financial assistance payment, product voucher, or other out-of-pocket expense on behalf of an enrollee that is used in the calculation of the enrollee's cost-sharing contribution to notify the enrollee of the maximum dollar amount and the expiration date.

II. Property and Casualty

HB 1098 (Ch. 395) - Insurance - Automobile Insurance - Maryland Automobile Insurance Fund and Affordability Study

Effective on July 1, 2025

- Adds § 20–306 to the Insurance Article to require the Maryland Automobile Insurance Fund ("Maryland Auto") to calculate and report on its Risk Based Capital ("RBC") level in accordance with Title 4, Subtitle 3. This section also requires Maryland Auto to increase its surplus such that it reaches and maintains Total Adjusted Capital in an amount greater than or equal to its Company Level RBC as of December 31, 2026.
- Amends § 20-507 of the Insurance Article to require Maryland Auto to comply with prior approval ratemaking standards set forth in Title 11, Subtitle 2: (i) between July 1, 2025 and December 31, 2026; and (ii) at any subsequent point at which Maryland Auto's Total Adjusted Capital is below the amount required under § 20–306.
- Uncodified language in the law directs the MIA to chair a work group charged with studying and submitting a report to the Governor and General Assembly on the affordability of private passenger automobile insurance in the State by January 1, 2026.

HB 1148 (Ch. 381) - Residential Condominium Unit Insurance - Lapses in Coverage - Prohibition on Denial

Effective on October 1, 2025. Applies to new residential condominium unit insurance policies issued on or after January 1, 2026.

- Amends § 27-501 of the Insurance Article, which addresses discrimination in underwriting.
- Prohibits an insurer from refusing to issue a new policy covering a residential condominium unit based solely on the fact that the applicant has experienced a lapse in coverage of the unit, if the lapse in coverage: (i) was due to an insurer's withdrawal from the market; and (ii) was not longer than 90 days.
- Authorizes an insurer to require that an applicant who has experienced a lapse in coverage and meets the criteria above provide: (i) an affidavit that the applicant has not incurred any losses during the lapse in coverage; and (ii) other documentation to demonstrate satisfaction of the criteria.

HB 1251 (Ch. 751) - Hospitals and Medical Professional Liability Insurers - Obstetric Services Policies (Doula and Birth Policy Transparency Act)
Effective on October 1, 2025

- Adds § 19-104.1 to the Insurance Article to require that a medical professional liability insurer, upon request, provide the Maryland Department of Health with information regarding the insurer's policy related to coverage of obstetric services, including coverage for a vaginal birth after cesarean.

HB 15 / SB 144 (Chs. 198 and 199) - Corporations and Associations - Limited Worker Cooperative Associations - Authorization (Maryland Limited Worker Cooperative Association Act)
Effective on October 1, 2026

- Adds Subtitle 12A to the Corporations and Associations Article to authorize the formation of limited worker cooperative associations and establish rules and procedures for the formation, governance, conversion, and dissolution of limited worker cooperative associations.
- Section 4A–12A–11 of the Corporations and Associations Article defines "actual payroll value" as "the total amount of money paid to an employee after taxes and deductions and includes the base salary, bonuses, overtime, leave benefits, commissions, and tips." This section requires an insurer that provides workers' compensation insurance to members of a limited worker cooperative association who are covered employees to calculate premiums for such employees: (i) in accordance with Title 11, Subtitle 3 and Title 19, Subtitle 4 of the Insurance Article; and (ii) based on the employee's actual payroll value.
- Amends § 2-108 of the Insurance Article to provide that the Insurance Commissioner shall enforce § 4A–12A–11 of the Corporations and Associations Article.

III. Market Regulation & Professional Licensing

SB 228 (Ch. 415) - Limited Line Credit Insurance - Qualification of Applicants
Effective on October 1, 2025

- Amends §§ 10-104 and 10-105 of the Insurance Article to remove the requirement that the Insurance Commissioner approve a program of instruction for applicants for a limited lines credit insurance license. Instead, the bill requires that such a program provide a comprehensive and accurate description of the relevant limited lines credit insurance product.
- Requires a limited lines credit insurer that administers a program of instruction to retain records pertaining to the program for at least five years.

IV. General

HB 100 / SB 102 (Chs. 350 and 351) - Insurance Pooling - Public Entity - Definition

Effective on October 1, 2025

- Amends § 22–101 of the Local Government Article to define "resilience authority" as "an authority incorporated by one or more local governments in accordance with this title whose purpose is to undertake or support resilience infrastructure projects."
- Amends § 19–602 of the Insurance Article to specify that a resilience authority is among the public entities that may pool together to purchase casualty insurance, property insurance, or health insurance or to self–insure against casualty, property, or health risks.

HB 895 / SB 279 (Chs. 6 and 5) - Employment and Insurance Equality for Service Members Act

Effective on October 1, 2025

- Replaces "military services," "armed forces," and similar terminology currently used in several sections of the Insurance Article with "uniformed services" as defined in 37 U.S.C. § 101. Currently, 37 U.S.C. § 101 defines "uniformed services" as: the Army, Navy, Air Force, Marine Corps, Space Force, Coast Guard, National Oceanic and Atmospheric Administration, and Public Health Service.
- Expands the application of certain protections that are currently afforded under the Insurance Article to consumers, producers, and public adjusters who are members of the "uniformed services".