



Maryland Health Benefit Exchange Board of Trustees

April 20, 2026
2:00 p.m. – 4:00 p.m.
Meeting Held via Video Conference

Members Present:

Meena Seshamani, M.D., Ph.D., Chair
Aika Aluc, Vice Chair
Ken Brannan
Marie Grant
Katherine Rodgers, Ed.D, MPH
JoAnn Volk, M.A.
Douglas Jacobs, M.D.

Also in Attendance:

Michele Eberle, Executive Director, MHBE
Johanna Fabian-Marks, Deputy Executive Director, MHBE
Ken Buerger, Director of Policy and Plan Management, MHBE
Becca Lane, Senior Policy Analyst, MHBE
Christopher Randolph, Principal Counsel, MHBE
Mimi Hailegeberel, Manager, Small Business Program, MHBE
Scott Brennan, Director of Compliance & Privacy, MHBE
Tony Armiger, Chief Financial Officer, MHBE
Venkat Koshanam, Ph.D., Chief Information Officer, MHBE
Shirelle Green, Procurement Officer, MHBE
Tracey Gamble, Procurement Manager, MHBE

Meeting Call to Order and Approval of Minutes

Aika Aluc, Vice Chair

Ms. Aluc called the meeting to order. Commissioner Grant moved to approve the minutes of the February 17, 2026, and March 25, 2026, public Board meetings. Mr. Brannan and Dr. Rodgers seconded. The Board voted unanimously to approve the minutes.

Public Comments

Michael Piorunski, a consumer enrolled in insurance through the exchange for several years registered to provide a public comment. He explained that he was enrolled in a CareFirst plan through the exchange which was wrongfully terminated at the end of December 2025, but he did not learn of the termination until a doctor's appointment on January 7, 2026. CareFirst informed Mr. Piorunski that the Maryland Health Benefit Exchange (MHBE) submitted a termination request on his behalf, which MHBE denied. He did not receive an email from the MHBE about an issue with his coverage until mid-February. Mr. Piorunski needed assistance from senior level staff and his state senator to reinstate his coverage, but CareFirst is still denying coverage of claims during the time Mr. Piorunski's coverage was terminated. Mr. Piorunski stated that he understands that the MHBE does not administer the health plans but is a platform where consumers can purchase insurance, but he thinks that MHBE has a responsibility to ensure that carriers act in good faith and are held accountable when they behave poorly towards consumers. Mr. Piorunski noted that he also contacted the Maryland Insurance Administration (MIA) but that did not yield any results. He expressed concern that this issue impacted 4,000 Marylanders, and CareFirst has not publicly admitted their mistake or committed to resolving the problem. He noted that he should not need to engage his state senator for assistance in resolving the problem. Mr. Piorunski thanked MHBE staff who helped him with this issue. He expressed that many other Marylanders are experiencing the same problem and hopes that action can be taken to prevent it from happening again.

Ms. Aluc thanked Mr. Piorunski for his comments and expressed that it is helpful to hear the consumer perspective. She noted that the MHBE has been having several conversations regarding the impact of the CareFirst terminations. She noted that his comments will be taken into account during the upcoming strategy meeting and the Board will endeavor to keep consumers in front of mind.

Dr. Rodgers, Chair of the Policy Committee, added that the Committee discussed this issue at their most recent meeting and how this problem would be prevented in the future. She explained that, in the past, the carrier and MHBE systems were compared monthly and it has now moved to weekly in light of these events. The MHBE is examining their standard operating policies to strengthen the guidance for reconciliation with carriers, so this does not happen to consumers again. She expressed that it is a shame that 4,000 Marylanders lost CareFirst coverage through no fault of their own given how important insurance coverage is. Dr. Rodgers apologized to Mr. Piorunski for his experience and gave reassurance that the MHBE is taking this matter very seriously and modifying their policies to prevent it from happening in the future.

Policy Committee Report

Dr. Kat Rodgers, Committee Chair

Dr. Rodgers continued her report on the Policy Committee's meeting on February 15. She noted that an issue with information being sent to the Board of Elections was discovered. If someone checked the box to be a voter and then unchecked the voter box before submitting the form, only the checked box was going through which caused problems that had to be worked out with the Board of Elections. During the meeting, Ms. Fabian-Marks and Ms. Eberle provided a follow-up presentation on the strategic plan. The Committee expressed support for the plan. Ms. Fabian-Marks also provided an update on the status of the fiscal year (FY) 2027 Connector Entities grants and a draft of the funding allocation and methodology for those grants. One of the elements the MHBE proposed to use was the number of uninsured in the Connector Entity region, but the Committee suggested looking at the uninsurance rate rather than the uninsured count to account for variance in population size. The MHBE adjusted their methodology to incorporate that feedback. The Committee also discussed the steps for the executive request for proposals (RFP).

Finance and Audit Committee Report

Maria Pilar Rodriguez, Board Member

Ms. Rodriguez reported that the Finance and Audit Committee met on April 15 and discussed financial and compliance privacy matters for 2026. They focused on the year-to-date financial results. The Committee also heard updates on audits and compliance activities from Scott Brennan, emphasizing regulatory adherence and internal controls. Venkat Koshanam provided a brief update on the privacy program and data efforts. Ms. Rodriguez asked Tony Armiger, Chief Financial Officer of the MHBE, if he wanted to add anything.

Mr. Armiger reported that the MHBE is a million dollars over budget as of February mainly because call center costs were higher than usual and the MHBE bought large item software, but they are projecting to be \$200,000 over budget by year end.

Sec. Seshamani asked about the source of the budget deficit. Mr. Armiger responded that the call center is the main cause along with personnel and software costs but by year end there may be some cost savings. Ms. Eberle added that the MHBE is still seeing high call center engagement due to carrier problems such as the one described by the public commenter, noting that there have been more carrier problems than

previous years. Efforts to reduce calls through artificial intelligence (AI) have not made an impact yet. The software costs will level out as the year continues.

Sec. Seshamani asked whether steps will be taken next year to prevent similar deficiencies or is this expected to even out as the CareFirst issue is addressed. Ms. Eberle responded that the MHBE and carriers are discussing reimbursement for the additional work the MHBE has undertaken as a result of carrier problems because the MHBE budget did not account for this. The MHBE is also looking at internal cost savings. Ms. Eberle stated that by the end of the FY, the MHBE's budget should be fine but they may have to shift some payments to FY 2027 for services that occurred in FY 2026, which would be acceptable. Mr. Armiger confirmed that this statement is correct.

Executive Director Update

Michele Eberle, Executive Director

Ms. Eberle began with the federal updates. The MHBE is still waiting for the federal notice of benefit and payment parameters for 2027 to be released. In past years, these parameters were released in April or earlier, but they may not be released until the summer. If the parameters are released too late, then the MHBE may not have time to implement required systems changes for 2027 and have alerted the Centers for Medicare and Medicaid (CMS) to that fact. Ms. Eberle reported that state marketplace network executive directors will meet in DC for two days, including meetings with minority and majority committee and leadership staff, as well as a joint session with Dr. Mehmet Oz and Center for Consumer Information and Insurance Oversight (CCIIO) staff.

Ms. Eberle then moved onto the state updates. She reported that the legislative session was lighter for the MHBE this year. A bill with a technical correction for the pregnancy special enrollment period was passed. The budget bill and Budget Reconciliation and Financing Act passed, and the MHBE fared well in both. The MHBE is working on the One Big Beautiful Bill Act (OBBBA or H.R. 1) implementation. On October 1, 2026, Medicaid eligibility will end for many lawfully present immigrants, and the work requirements and redeterminations will start to occur on January 1, 2027. The open enrollment dates for the marketplace will be changing from November 1 to December 31. Ms. Eberle then moved onto staffing updates. A case resolution coordinator position is being finalized. The director of consumer assistance position has been repurposed to be a chief operating officer position that will have consumer assistance, general services, and human resource and organization development functions underneath it. Interviews for this position start tomorrow. The executive search firm contract was awarded. The next Board meeting will be on May 18, and the strategic planning session is on June 15.

2027 Proposed State Subsidy and Estimated Reinsurance Parameters

Johanna Fabian-Marks, Deputy Executive Director, MHBE

Ms. Fabian-Marks noted that Ken Buerger, the new Director of Policy and Plan Management, will present the value plan standards next. Ms. Fabian-Marks began with a brief overview of the history of the State Reinsurance Program (SRP), which was implemented in 2019 and resulted in a dramatic decrease in rates. Rates are still down 6% compared to pre-waiver 2018. She presented a figure displaying total individual market enrollment, which started increasing in 2019 after the SRP was implemented and dramatically increased starting in 2023.

Ms. Fabian-Marks explained that the SRP reimburses insurers for a portion of their claims costs, which allows carriers to charge lower premiums. Reinsurance applies to the entire individual market, both on and off exchange and covers about a third of claims in this market. The SRP operates under a five-year federal waiver, and the current waiver period ends on December 31, 2028. When an enrollee's claims cost exceeds a certain amount, called the attachment point, the SRP begins reimbursing the carrier for a portion of claims costs. The attachment point for the SRP was roughly \$20,000 for several years and slightly increased to \$21,000 in 2025 and then \$24,000 in 2026. The portion of claims costs reimbursed by the SRP is called the coinsurance rate. The coinsurance rate has stayed at 80% throughout the life of the SRP. The SRP stops reimbursing the carrier for claims costs once they exceed a certain amount, called the reinsurance cap which has been continuously set at \$250,000. The MIA sets the dampening factor every year to account for the federal risk adjustment program and it has been set at .850 since 2024. Ms. Fabian-Marks reported that in 2024, the SRP paid \$639 million claims to carriers out of total paid claims of \$1.9 billion.

Ms. Fabian-Marks then provided a brief overview of the subsidy program which was implemented after federal enhanced advance premium tax credits (eAPTCs) ended at the end of 2025 after Congress failed to extend them. Without the eAPTC, enrollment was projected to decline in 2026 due to reduced affordability, so the Maryland legislature passed HB 1082, which authorized the MHBE to establish a state based individual subsidy program to mitigate enrollment losses and stabilize the market in 2026 and 2027.

Ms. Fabian-Marks explained that the reinsurance and subsidy programs are funded through state funds from a one percent assessment on most health insurance premiums and reserve funding built up during the early years of the SRP when costs were lower than available funding. Federal pass-through funding from the Section 1332 waiver is also used for the reinsurance program. The state subsidy is funded solely through state funds. Ms. Fabian-Marks presented a chart showing the state and federal funding for the reinsurance program from 2019 through 2025 and the reinsurance costs and end-of-year fund balance.

Ms. Fabian-Marks then presented the 2026 state subsidy parameters. For 2026, the state subsidy program fully replaces the eAPTC for people with incomes below 200% of the federal poverty level (FPL) and phases down to 50% replacement for people with incomes at 250% FPL and provides 50% replacement for people with incomes between

250% and 400% of the FPL. There is no subsidy available for individuals with incomes above 400% FPL. The 2025 young adult subsidy program parameters were continued for 2026, and this subsidy layers on top of the state subsidy. In developing the 2027 subsidy parameters, the MHBE continued to consider market impacts, subsidy program costs, and SRP and fund impacts.

Ms. Fabian-Marks reported that the MHBE modeled three possible scenarios for the subsidy program parameters for 2027, ranging in generosity with scenario 1 as the most generous and scenario 3 as the least. Detailed slides are available in the presentation for this meeting. MHBE staff are recommending the second scenario, which has a full subsidy for individuals below 200%, a phase down to 25% replacement at 250% FPL, 25% replacement for individuals with incomes between 250% and 400% FPL, and a continuation of the young adult subsidy with 2026 parameters. Ms. Fabian-Marks presented a chart showing the estimated reinsurance program parameters and cost for each scenario. The chart includes a line that shows the adjusted end of year balance that accounts for lower-than-expected 2025 reinsurance costs that current data indicates. There is also a line in the chart with the estimated end of year balance assuming there are no SRP savings, but that may be more conservative than needed, so MHBE staff recommend that the Board focus on the estimated end of 2027 balance of \$42 million with SRP savings. The actual 2025 reinsurance costs will be available at the end of the month, and the 2026 federal pass-through funding amount should also be available within a month. Once the MHBE has that information, they can update these projections. If the savings do not materialize, then they may revise the recommendation when the final program parameters are presented to the Board in July. The parameters being presented today will be used by carriers to determine rates for 2027. Ms. Fabian-Marks presented a chart showing the SRP fund projections from 2019 through 2030 under scenario 2 with the estimated end-of-year balance with SRP savings and no SRP savings.

Ms. Fabian-Marks presented the 2027 subsidy design recommendation described earlier. They are estimating that there will be low enrollment loss year over year even though they are reducing the subsidy amount for individuals with incomes over 200% FPL. The reduced subsidy will reduce costs by \$35 million compared to 2026 parameters. The 2026 young adult subsidy parameters will also be continued. Ms. Fabian-Marks explained that the young adult subsidy is a significant cost driver but has been effective in encouraging young adult enrollment, which in turn lowers rates.

Ms. Volk asked whether the legislature is the source of the insurance assessment. Ms. Fabian-Marks responded in the affirmative.

Ms. Volk also asked about estimates for the improved morbidity associated with the young adult subsidy or the impact on premiums. Ms. Fabian-Marks responded that there was a study a year and a half ago comparing Maryland young adult enrollment to national rates that found Maryland had an improvement in their morbidity and higher young adult enrollment compared to national rates. However, the study was limited by using census data which only applied to the first year of the young adult subsidy

program. Bradly Boban, Chief Actuary with the MIA, added that they do not have an exact quantification of the impact of the young adult subsidy program, but Maryland has higher young adult enrollment than most other states, which helps drive down morbidity. The average age of the individual insurance pool is lower than it would be without the young adult subsidy which is helping keep rates down.

Dr. Jacobs commented that all three scenarios did not have a subsidy for 2028 and asked whether the reserve amount will allow the MHBE to have a 2028 subsidy if the legislature authorizes it. Ms. Fabian-Marks responded that if the legislature were to provide funding for 2028 subsidies, then the MHBE would be happy to implement it. The MHBE is also interested in mapping out a pathway where that is feasible under the existing funding that is in law through 2028, but there are a lot of unknowns that need to be addressed over the next six weeks and more modeling to be done. MHBE staff will come to the Board with more fleshed out 2027 projections and how that relates to 2028 scenarios in July.

Commissioner Granted noted that the subsidy program and reinsurance program are interconnected because they have the same funding source and both interact with rates and enrollment, so the votes on the reinsurance and subsidy program parameters should be taken together. She added that legislation will be needed to continue the insurance assessment and reauthorize another section 1332 waiver application.

Ms. Fabian-Marks agreed with going through the estimated 2027 reinsurance parameters and then voting on both motions at the end. MHBE staff will come back to the Board in July with the final 2027 SRP parameters. MHBE staff are recommending increasing the attachment point for the SRP to \$28,000 and maintaining the coinsurance rate of 80% and cap of \$250,000 and that a dampening factor to be provided by the MIA is required. The increased attachment point is projected to have a minimal impact on the higher income population that is not eligible for subsidies and most directly benefits from reinsurance.

Sec. Seshamani asked for more information on how the MHBE will handle changes such as the release of the federal notice of benefit and payment parameters or new data. Ms. Fabian-Marks responded that the vote today sets the proposed reinsurance parameters and estimated state subsidy parameters for 2027. The function is to give carriers assumptions that can be used to file rates, but it does not commit the Board to finalizing these parameters. The MHBE will continue to do modeling as additional significant data becomes available and will come back to the Board in July with recommended final parameters for both the SRP and state subsidy. Then the carriers will work through any changes with the MIA and release updated 2027 rates.

Sec. Seshamani asked for a motion to approve the proposed parameters for the state subsidy program for plan year 2027 as presented. For enrollees eligible for APTC, fully replace eAPTC up to 200% FPL; phase down from full eAPTC replacement at 200% FPL to 25% replacement at 250% FPL; 25% replacement of eAPTC 250%-400% FPL (from 50% in 2026); no state subsidy above 400% FPL; and continue 2026 Young Adult

Subsidy parameters. Ms. Volk moved to approve the motion and Mr. Brannan seconded. The motion was approved unanimously.

Sec. Seshamani asked for a motion to approve the estimated parameters for the 2027 State Reinsurance Program as presented with an attachment point of \$28,000, a coinsurance rate of 80%, a cap of \$250,000, and a dampening factor to be provided by the Insurance Commissioner. Ms. Volk moved to approve the motion and Ms. Aluc seconded. The motion was approved unanimously.

2027 Final Plan Certification Standards

Ken Buerger, Director of Policy and Plan Management, MHBE

Mr. Buerger introduced himself, he previously worked at CMS for 12 years in policy positions. He provided a brief overview of the background of the plan certification standards and Value Plan Workgroup. Detailed slides are available in the presentation for this meeting. He also provided an overview of the timeline, which was pushed back because CMS did not release the actuarial value calculator until February 2026 which is much later than usual. The 2027 plan certification standards were released for a public comment period in April, but no comments were received and the Board will vote on the standards today.

Mr. Buerger presented the Value Plan Workgroup recommendations for 2027. The Workgroup recommended changes to the cost-sharing requirements for value plans, adding a requirement that at least one covered continuous glucose monitor (CGM) be available at \$0 cost sharing and requiring carriers to host an “easy-to-understand, transparent, and searchable” document on their websites with information on the diabetes benefit.

Mr. Buerger provided an overview of the guiding principles for changes to value plan cost sharing, which included maintaining consistent plan actuarial values from 2026, prioritizing copays over coinsurance, and maximizing the number of copays not subject to the deductible. He then presented a table summarizing the changes to value plan cost sharing. Medical deductibles were increased, the out-of-pocket maximum was increased for combined medical and prescription drugs, and the copays for certain services were increased. Detailed slides are available in the presentation for this meeting. The Value Plan Workgroup made additional recommendations including making information on the value plan diabetes benefit more accessible to consumers on the Maryland Health Connection (MHC) website and conducting consumer testing on value plan name and alternatives.

Dr. Rodgers expressed support for the increased diabetes care and accessibility for patients. Mr. Brannan commended staff for their robust work given a short timeline and a lot of moving parts.

Sec. Seshamani asked for a motion to approve the final plan certification standards for plan year 2027 as presented. Ms. Aluc moved and Dr. Rodgers seconded. The Board voted unanimously to approve the plan certification standards.

Proposed Regulatory Change: Out-of-State Broker Fee

Becca Lane, Senior Policy Analyst, MHBE

Ms. Lane reported that MHBE staff propose to newly apply an \$80 application fee to brokers who reside outside of Maryland or a bordering state (aka “out-of-state” or “non-resident” brokers). The purpose is to ensure that the MHBE provides high quality assistance to Marylanders and reduces the administrative burden on the MHBE consumer assistance department. Most brokers who do not enroll any Marylanders have licenses outside Maryland, but out-of-state brokers take twice as long for MHBE’s consumer assistance team to authorize and manage than their resident counterparts, an estimated 425 hours annually.

Ms. Lane presented a slide with the proposed regulatory language to implement the \$80 application fee. Detailed slides are available in the presentation for this meeting. MHBE received four comments on the proposal during a 30-day stakeholder feedback period. Comments were mixed, with some opposing the proposal and others supporting the proposal or suggesting other measures to discourage out-of-state brokers. For example, Kaiser Permanente suggested tying the fee to a training requirement, and a broker suggested making the fee higher at \$500 and not making an exception for bordering states. The MHBE considered this feedback, but feels that the proposal will help the MHBE reach their goal to ensure Marylanders have access to engaged, well-informed brokers. The MHBE will monitor the effectiveness of the fee and consider whether additional actions are necessary.

Ms. Lane provided an overview of the timeline for the proposed regulations. She noted that the plan is for the new regulations to go into effect by August 17 so the new fee will be in place for the 2027 open enrollment period. The Board will vote on the proposed regulations today and the final regulations during the July meeting.

Ms. Volk asked what share of marketplace enrollments come from out-of-state brokers. Ms. Lane responded she will find this number and will follow up. Ms. Volk stated she is familiar with research on fraudulent enrollments from out-of-state brokers and asked if the MIA has any limits on their authority to oversee and discipline out-of-state brokers that are not meeting requirements. Commissioner Grant responded that the MIA has the same oversight authority of out-of-state brokers as resident brokers but in practice it may be more difficult to do some of those oversight activities.

Ms. Aluc asked how the \$80 fee was determined and what the fees would be used for. Ms. Lane responded that the \$80 fee was based on an analysis of other states with application fees, e.g., Washington D.C. has the same fee amount. She noted that there are no current plans for the funds collected from the fee.

Ms. Aluc also asked why the MHBE did not choose to use the other options proposed by commenters such as the training option. Ms. Lane responded that brokers are subject to the same training requirements as navigators and application counselors. MHBE staff were concerned that, without a disincentive, these disengaged brokers would simply not take advantage of new training opportunities. The MHBE can consider this in the future after evaluating the impact of the application fee.

Ms. Aluc commented that if there is no current plan for the funds from the fee then maybe it could be used to support consumer assistance.

Sec. Seshamani asked how many enrollees are using out-of-state brokers because this information is important in determining the potential disruption to enrollees of disincentivizing out-of-state brokers and what kind of outreach would be needed to mitigate the impact. She said that she needs a better understanding of the extent of the out-of-state broker problem and how the \$80 fee was determined. Sec. Seshamani stated that the policy objective appears to be to disincentivize non-resident brokers since they cause a problem for the MHBE and potentially create some funds that could be used for other matters, but she feels she needs a better understanding of the situation to determine an appropriate fee. Ms. Aluc agreed and commented that other states have higher fees and she wants a better understanding of the variation in fees to determine the best fee for Maryland.

Ms. Eberle recommended that MHBE staff prepare more detailed information on the proposal for the Board for the May meeting.

[Consumer Assistance Procurements: Language Translation Services](#)

Johanna Fabian-Marks, Deputy Executive Director

Ms. Fabian-Marks explained that the MHBE utilizes the Maryland State contract with Language Line Services through the state Board of Public Works (BPW). It is an annual procurement. The current not-to-exceed (NTE) amount for FY 2026 is \$1.2 million that was increased at the January Board meeting from the initial NTE of \$250,000. The MHE is seeking Board approval to general a purchase order through BPW's state contract for language line services in the NTE amount of \$900,000 for FY 2027. Ms. Fabian-Marks noted that this exceeds the amount that included in the FY 2027 budget, which was developed last fall before the recent explosive growth in language line utilization. They anticipate that savings in the fulfilment contract will offset this increased cost. This contract is partially funded through federal funds, 44% in FY 2025.

Ms. Fabian-Marks shared that approximately 79% of calls handled with the language line in FY 2026 are in Spanish but nearly 300 languages are available for translation. Ms. Fabian-Marks presented a chart showing calls by type in 2025 and 2026. The call center is required to have bilingual representatives that handle the majority of Spanish language calls, but the language line is picking up the overflow that the bilingual representatives are unable to handle. The number of calls handled with the language line has increased significantly since September 2025 but has moderated slightly after a

peak in January. The MHBE is hoping to continue to decrease the number of language line calls by adding the chat feature in Spanish and potentially increase the number Spanish speaking representatives based on the results of a cost benefit analysis. A possible reason for the increase in language line calls is that Spanish speakers are choosing phone assistance over in person assistance. Ms. Fabian-Marks then presented a chart showing total language line calls and costs; the costs have increased along with the number of calls. She showed a table displaying the contract history for the language line. Detailed slides are available in the presentation for this meeting.

Ms. Volk asked if the total cost jumped higher than the total call volume because the time associated with each call was longer. Ms. Fabian-Marks responded in the affirmative. Ms. Volk commented that if the calls are taking longer, then these people may not benefit from using the chat. Ms. Fabian-Marks responded that some of the calls may be simple and could be resolved through a chat, but others may be more complicated. She clarified that the chat feature would be with a live agent.

Sec. Seshamani asked for a motion to approve securing language line services through the State contract with the Board of Public Works in the Not-To-Exceed amount of \$900,000 for fiscal year 2027 as presented. Ms. Volk moved and Ms. Aluc seconded. The Board voted unanimously to approve the motion.

[Consumer Assistance Procurements: Fulfillment Services](#)

Shirelle Green, Procurement Officer, MHBE

Ms. Green reported that the current fulfillment services contract ends on June 30, 2026, and an RFP was issued in December 2025 and closed in February 2026. The RFP was amended on January 8 to allow offerors to be located within the continental U.S. instead of within 100 miles of the MHBE office or within Maryland, which helped bring in more viable candidates. The contract term is for a three-year base period and one two-year option. Services under the contract include printing and mailing consumer notices, tax forms, voter registration forms, Medicaid enrollment packets and Medicaid cards as well as receiving and processing incoming mail. The funding split for printing notices is 34% state funds and 66% federal funds, and the split for postage and other services is 56% state funds and 44% federal funds.

Ms. Green reported that the MHBE received three proposals, all of which met the minimum qualifications and selected Data Integrators, Inc, located in Fredericksburg, Virginia due to the merit of their technical proposal and the competitiveness of their financial proposal. The requested not-to-exceed amount for FY 2027 is \$8,507,394.

Ms. Eberle commented that the MHBE has the dollar amounts for all three base years and asked if there is a reason why MHBE staff are only asking for NTE approval of one FY. She explained that there has been internal discussion that if the Board approves the

base three-year period with the amount for each of the base years, then the Board does not have to approve each NTE amount annually. Mr. Armiger responded that it would be fine to ask for approval of an NTE amount of \$8,507,394 for all three base years. Ms. Eberle explained that if the Board approves the three-year base period with a dollar amount for all three years, then the Board will not have to vote on the NTE each year unless the amount changes.

Commissioner Grant commented that the NTE amounts for FYs 2025 and 2026 were higher than FY 2024 and asked if the contract will accommodate an increase in NTE in the future if needed. Mr. Armiger responded in the affirmative. Ms. Eberle added that two out of the three proposals were a third less than the third proposal so there was a significant reduction in the bid compared to what the MHBE was paying in previous years.

Sec. Seshamani asked for a motion to approve award of the Fulfillment Service Center contract to Data Integrators, Inc for a 3-year base period of July 1, 2026 – June 30, 2029, and one 2-year option period of July 1, 2029 - June 30, 2031, with an FY27 Not-To-Exceed amount of \$8,507,394. Ms. Eberle noted that the motion will be changed to approve an annual NTE of \$8,507,394 for each base year. Ms. Green explained that the MHBE will come back to the Board for the NTE amount for the options years in the future. Dr. Rodgers made the motion as amended, seconded by Ms. Volk. The Board voted unanimously to approve the motion.

Sec. Seshamani asked Ms. Eberle if there are any agenda items that can be moved to the May Board meeting given that there are six more items and a short amount of time left. Ms. Eberle responded that the Connector Entity grant awards can likely wait until May but asked MHBE staff for their input. With MHBE staff input, it was decided that the Board will move onto the FY 2026 NTE for the consolidated services center, the IT IDIQ, the Dell computers procurement, and then the National Student Clearinghouse procurement if there is time. The Board will move the Connector Entity grant awards and the FY 2027 NTE for the consolidated services center to the May Board meeting.

[Consumer Assistance Procurements: Consolidated Services Center NTE FY 2026 Increase](#)

Johanna Fabian-Marks, Deputy Executive Director

Ms. Fabian-Marks explained that the current vendor for the consolidated call center is Maximus Health Services Inc., and the current NTE for FY 2026 is \$13,034,802. MHBE staff are requesting the Board to increase the FY 2026 NTE amount to \$15,125,000 with a split of 60.2% federal funds and 39.8% in state funds. FY 2026 is the first option year of the two-year option period. The contract operates under a fixed fee and then a fixed

unit price per call and per chat. Ms. Fabian-Marks presented a table with an overview of the number of calls since FY 2021 and projected figures for FY 2026 and FY 2027. The projected number of calls in FY 2026 is higher than FY 2025 and the budget is also higher. This increase is driven in part by an increase in calls related to qualified health plans challenges at the beginning of the year.

Sec. Seshamani asked for a motion to approve increasing the FY26 Not-To-Exceed amount for Maximus Health Services Inc. from \$13,034,802 to \$15,125,000 as presented. Ms. Volk moved to approve the motion and Mr. Brannan seconded. The motion was approved unanimously.

IDIQ Task Orders - option year 1

Shirelle Green, Procurement Officer, MHBE

Venkat Koshanam, Ph.D., CIO, MHBE

Dr. Koshanam reported that he is seeking the Board's approval to exercise option year one of the Information Technology (IT) Indefinite Delivery, Indefinite Quantity (IDIQ) contract to retain IT consulting resources and approval of the NTE amount for FY 2027. He explained that the IT IDIQ contract is the primary procurement vehicle for IT consulting and hiring services. The contract was awarded in 2023 for a base period of three years with two one-year option years and the contract is currently in the third base year. There are 183 IT IDIQ staff in various functional areas. MHBE staff are requesting approval of a NTE amount of \$45.66 million for FY 2027 with a federal participation amount of approximately \$34 million and a state participation amount of \$11.6 million.

Dr. Koshanam provided an overview of IT functions and federal funding participation, which includes project management, enhancements, system support, and maintenance and funding participation. Detailed slides are available in the presentation for this meeting. He also presented a table comparing the IDIQ NTE for FY 2026 and FY 2027. There is a roughly \$5.8 million increase in the budget from FY 2026 to FY 2027, largely due to the H.R. 1 implementation. He then provided an overview of the H.R. 1 implementation schedule. He explained that the H.R. 1 implementation is the single most consequential IT initiative in FY 2027. Detailed slides are available in the presentation for this meeting. Dr. Koshanam noted that the design, development, and implementation work covers the build side of H.R. 1, such as end-to-end system implementation and CMS's preferred closed loop referral system integration. Maintenance and operations is on the run side and receives 75% federal match and is entirely new for FY 2027 because H.R. 1 changes are anticipated to go live between July and December of 2026. Dr. Koshanam presented a table comparing the IDIQ NTE for FY 2026 and FY 2027 by work area. The budget is increasing from \$39,862,500 in FY 2026 to 45,660,767 in FY 2027, a 14.5% increase. Almost all of that increase is due to the addition of the H.R. 1 maintenance and operations work category at \$5.4 million. The unified benefits work was completed in FY 2026 so that category will be eliminated for FY 2027.

Commissioner Grant asked whether most of NTE increases for FY 2027 are attributable to federal funds. Dr. Koshanam responded that the NTE increase is largely due to the H.R. 1 maintenance and operations work which is new for FY 2027. Commissioner Grant asked if most of that NTE increase will be attributed to federal funding. Dr. Koshanam responded in the affirmative; \$4,050,000 out of the \$5,400,000 for the H.R. 1 maintenance and operations work will be from federal funding.

Ms. Green requested the Board approve exercising Option Year 1 of the IT IDIQ contract for the period July 1, 2026 through June 30, 2027 and a total Not-To-Exceed (NTE) amount of \$45,660,767 as presented. Ms. Volk moved to approve, seconded by Dr. Rodgers. The Board voted unanimously to approve the motion.

Dell Computers and Accessories Procurement

Venkat Koshanam, Ph.D., CIO, MHBE

Tracey Gamble, Procurement Manager, MHBE

Dr. Koshanam explained that the MHBE utilizes an end user computing fleet of approximately 335 devices, predominantly with Dell laptops and 47 Macs, to support day-to-day operations. The standard refresh cycle for Dell is five years, which means the MHBE replaces roughly 50 laptops annually.

Ms. Gamble reported the MHBE issued an invitation to bid and asked vendors to submit pricing on 48 Dell laptops, 6 desktops, and 10 adapter cables. Applied Technology Services Inc. was the successful lowest bidder with an amount for \$221,446. The MHBE received 10 responses, seven of which did not meet the minimum requirements, one did not accept the state terms and conditions, and one did not submit needed documents. That left one qualified vendor, Applied Technology Services Inc.

Sec. Seshamani asked for a motion to approve award of the Dell Hardware and Dell Accessories Procurement to Applied Technology Services (ATS) in the amount of \$221,446 as presented. Mr. Brannan moved, seconded by Ms. Aluc. The Board voted unanimously to approve the motion.

National Student Clearinghouse Procurement

Johanna Fabian-Marks, Deputy Executive Director

Tracey Gamble, Procurement Manager, MHBE

Ms. Fabian-Marks explained that the National Student Clearinghouse (NSC) is a nonprofit corporation that provides a nationwide, central repository for information about student enrollment and degree status. Education institutions regularly report student enrollment and degree information to NSC, and it is the sole entity that has up-to-date information about student enrollment. After conducting research, the MHBE determined that the NSC is the only entity with this information and has 99% of enrollment data for public and private institutions, which can be used to verify Medicaid community engagement requirements. An individual can comply with Medicaid community engagement by being at least a half-time student. The MHBE will use the NSC to

automatically check if individuals applying for or renewing Medicaid coverage who are subject to community engagement requirements are students so they will not have to submit documentation.

Ms. Gamble reported that since the NSC is the only entity able to provide a nationwide, central repository for verification of a consumer's enrollment in higher education, she deemed that this could be done as a sole source procurement based upon COMAR 21.05.05.02A when only one source exists. Ms. Gamble is recommending that the NSC Insights Verification Service be awarded to the NSC for a three-year base period of May 1, 2026 through April 30, 2029 for \$300,000 for the entire three years.

Ms. Volk asked whether this information will be shared with the federal government and whether it is only a state expense. Ms. Fabian-Marks responded that they will receive Medicaid match funding for verification costs but the only data connection will be directly between the NSC and the MHBE. Ms. Gamble explained that there will be 75% federal participation amount of \$200,000 and a 25% state participation amount of \$100,000.

Sec. Seshamani asked for a motion to approve award of the contract to the National Student Clearinghouse for the base period of three years from May 1, 2026 to April 30, 2029, with a Not-to-Exceed (NTE) amount of \$300,000 for the three-year base period as presented. Ms. Volk moved and Mr. Brannan seconded. The Board voted unanimously to approve the motion.

[Consumer Assistance Procurements: Consolidated Services Center, NTE for FY 2027](#)

Johanna Fabian-Marks, Deputy Executive Director

Shirelle Green, Procurement Specialist, MHBE

Ms. Fabian-Marks explained that they are in the first year of the two-year option period for the consolidated services center contract with Maximus and the second year of the option term is FY 2027, July 1, 2026 though June 30, 2027. The Board already approved exercising the second option year without an NTE amount. The NTE amount for FY 2027 is projected to increase due to H.R. 1 implementation to \$17,944,115. The call center offers a variety of services including live chat, transfers to brokers during open enrollment, outbound calling, and working to enhance IVE to provide more self-service options to individuals.

Ms. Fabian-Marks provided an overview of Maximus's successes and challenges. Maximus understands the MHBE's mission and is responsive to policy changes and security requirements. Challenges include standard issues around agents and policy retention and financial negotiations around any new requirements. Enhancements to the call center to reduce costs include providing more self-service options to consumers through the development of AI agents that allow consumers to reset account passwords without a representative and to check case status. Both of these enhancements are yielding significant traffic and savings.

Sec. Seshamani asked if the estimate for the increased cost due to H.R. 1 implementation used data regarding consumer engagement around changes to eAPTCs this year. Ms. Fabian-Marks responded that the estimates were developed in August and September of 2025 when the MHBE had to submit the budget, before open enrollment. The MHBE did look back on their experience with the public health emergency unwinding and conducted an in-depth analysis on the number of Medicaid participants who may be impacted by H.R. 1 implementation changes and how that would translate to increased call volume and budget.

Sec. Seshamani asked for a motion to approve exercising the second year of the two-year option period with Maximus Health Services Inc. for the FY27 period of July 1, 2026 - June 30, 2027, with a Not-To-Exceed amount of \$17,944,115 as presented. Ms. Volk moved and Mr. Brannan seconded. The Board voted unanimously to approve the motion.

Motion to Enter Closed Session

Meena Seshamani, M.D., Ph.D., Chair

Sec. Seshamani moved to go into closed session to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals pursuant to General Provisions Article, §§3-305(b)(1) and to consult with counsel to obtain legal advice on a legal matter pursuant to General Provisions Article, §§3-305(b)(7). Mr. Brannan seconded. The motion passed by unanimous consent.