

Final Regulatory Updates: Small Business Plan Limits

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Review

- We are back before the board today to request *final* approval of small business program regulations, and authorization to submit them for State mandated approval.
- MHBE is proposing regulatory updates to MHC for Small Business operations, regarding changes to **plan limits in the small group market**, and adding a **"meaningful difference" standard** for small group plan offerings.



Background

- MHBE is proposing update regulations that set **small group** plan limits per metal tier, beginning plan year 2027:

- MHBE proposes to adjust the plan limit in the small group market from the current 4 plans per metal tier per carrier license, to 8 plans per metal tier **per insurance holding company**, beginning plan year 2027.

- Currently carriers operating under multiple licenses may offer up to 4 plans per metal tier **per license**.

- Additionally, MHBE proposes to add a "meaningful difference" standard for small group plan offerings, by adding language that mirrors federal regulations around meaningful difference standards for standardized plans in the federal marketplace at 45 CFR § 156.201(c).

2026 small group plan offerings

	Platinum	Gold	Silver	Bronze	Total
Kaiser Permanente	2	4	4	3	13
CareFirst BC and GHMSI	0	5	5	5	15
United Healthcare, MAMSI, Optimum Choice	5	8	7	4	24
Total	7	17	16	12	52

Action in COMAR: Amend 14.35.15.08

14.35.15 Carrier Certification Standards

.08 Requirements for Qualified Plans.

C. An authorized carrier shall offer no more than:

(1) Four benefit designs per metal level in the Individual Exchange and four benefit designs per metal level in the SHOP Exchange in plan year 2024 and prior plan years; [and]

(2) Three benefit designs per metal level in the Individual Exchange and four benefit designs per metal level in the SHOP Exchange [beginning] in plan years 2025 *and 2026[.]; and*

(3) Three benefit designs per metal level in the Individual Exchange, and eight benefit designs per metal level per insurance holding company in the SHOP Exchange in plan year 2027 and subsequent plan years.

(a) A carrier that offers multiple plan options within the same product network type, metal level, and service area in the SHOP Exchange must meaningfully differentiate these plans from one another in terms of:

(i) Included benefits;

(ii) Provider networks;

(iii) Included prescription drugs; or

(iv) A combination of some or all these factors.

(b) For the purposes of this standard, a plan option with a different product ID, provider network ID, drug list ID, or a combination of some or all these factors, would be considered meaningfully different.

(c) The Exchange may deny certification, or suspend or revoke the certification of a qualified health plan in the SHOP Exchange based on a finding that the plan or qualified plan does not satisfy the requirements that are established under this regulation.

Public Comment

- MHBE consulted the Maryland Insurance Administration, the MHBE Small Business Programs Advisory Committee and Standing Advisory Committee during drafting.
- One comment was received by an MHBE SBPAC member during the preliminary stakeholder feedback period (Dec 5, 2025 through Jan 6, 2026):
 - Expressed support for proposed change to plan limits, stating that this limit still allows for meaningful variation in plan offerings
 - Meaningful difference standard should not be overly defined or quantified in order to be able to accommodate evolving plan standards year over year
 - Priority of this regulatory update should be for the purpose of improving the experience for Maryland small businesses and consumers
- No comments were received during the 30-day public comment period (April 3, 2026 through May 3, 2026).

Timeline



Request for Approval of Final Regulations and Authorization to Submit Final Action to DSD

MOTION: I move to [approve/defer/reject] the final Small Business program regulations as presented, and authorize MHBE to submit them to the Division of State Documents for publication in the Maryland Register [as presented/as amended].