MHBE
Standing Advisory Committee

May 21, 2026
2:00PM – 4:00PM
Via Google Meets

Members:
Aika Aluc, MHBE Board Liaison
Stephanie Klapper, Co-Chair
Elizabeth Arend Dutta
Leidi Garcia
Maya Greifer
Brandy Guy
Kiya Lofland
Allison Mangiaracino
Kimberly Robinson
Mark Romaninsky
Jake Whitaker
Allan Pack
Andrew Anderson
Awanya Anglin-Brodie
Eboné Liggins
Jana Varwig
Jeff Amoros
Marcquetta Carey
Sonya Bruton
Rodrigo Stein

MHBE Staff
Jose Cabrera
Maggie Church
Nicole Edge
Johanna Fabian-Marks
Becca Lane
Pooja Singh

Members of the Public
Brad Boban
Adam Zimmerman
Matthew Celentano
Nic Nemec

Welcome, Introductions, Approval of Minutes

Co-Chair Stephanie Klapper opened the meeting. Aika Aluc, Maryland Health Benefit Exchange (MHBE) Board Liaison, introduced herself. Then, each Committee member present did the same.

Ms. Klapper asked for a motion to approve the minutes of the Standing Advisory Committee (SAC)'s November 20, 2025, meeting. Jake Whitaker moved to approve the minutes, seconded by Elizabeth Arend Dutta. The SAC voted unanimously to approve the minutes.

Co-Chair Vote

Next, Amelia Marcus, MHBE Health Policy Analyst, explained that the end of previous Co-Chair Mark Meiselbach's term leaves the second Co-Chair position for the SAC

vacant. She stated that, as is procedure, MHBE staff are recommending a candidate for the position: Marcquetta Carey. Ms. Marcus cited Ms. Carey's experience in both the consumer and provider spheres and noted that she is currently serving in her second term on the SAC. She then offered the chance for anyone else to recommend a candidate for Co-Chair or to nominate themselves. No other nominations were given.

Ms. Carey gave a brief explanation of her interest in serving as Co-Chair.

Ms. Klapper moved to approve Marcquetta Carey as Co-Chair of the SAC for 2026. Awanya Anglin-Brodie seconded. Ms. Carey was approved as Co-Chair by unanimous consent.

Executive Update

After thanking the SAC's new members, Johanna Fabian-Marks, Deputy Executive Director of the MHBE, began her update with the recent publication of the Federal 2027 Notice of Benefit and Payment Parameters. She then gave an overview of the MHBE's close collaboration with the Maryland Department of Health (MDH) and other state agencies to implement the Medicaid eligibility changes under H.R.1.

Marketplace enrollment remained fairly flat for the first few months of 2026 after Open Enrollment and, as of April, was down 8% compared with April 2025. Ms. Fabian-Marks explained that enrollment loss of the legally present non-citizen population with incomes under 100% of the federal poverty level (FPL), who lost eligibility for premium tax credits in 2026, is the first factor contributing to the decline. The second is decreased new enrollments through special enrollment periods. Accompanying the enrollment decrease has been a migration from silver and gold plans to lower value bronze plans, which have lower monthly premiums but higher out of pocket costs when consumers use coverage. The MHBE will continue to monitor and analyze these data.

Ms. Fabian-Marks also noted that MHBE's Executive Director, Michele Eberle, will be retiring in June after working with the agency since its inception. She expressed gratitude for Ms. Eberle's leadership and guidance of the MHBE. Ms. Fabian-Marks noted that the Board is searching for a replacement who will hopefully be selected prior to Ms. Eberle's retirement.

2027 Value Plan Updates

Next, Becca Lane, MHBE Senior Health Policy Analyst, presented updates related to value plans. Detailed slides are available in the presentation for this meeting. Ms. Lane began by providing relevant background information, noting that the goals for Value Plans, which began in 2020, were to maximize the pre-deductible coverage available to consumers, simplify plan choice, and promote health equity. Carriers must offer one value plan at each metal level, with identical cost sharing and a comprehensive set of care management services for diabetes (a high-disparity condition in Maryland) available with zero cost sharing.

Ms. Lane explained that the MHBE convenes a Value Plan Workgroup each year to recommend changes to the cost sharing standards for value plans, but due to a delay in the federal government's publication of their Actuarial Value (AV) Calculator this year, they had to meet in March and April and have the MHBE Board vote on the final 2027 plan certification standards at the April meeting rather than the typical January to February timeline.

Ms. Lane showed the final 2027 plan certification standards, with changes including increases to the cost sharing requirements and a new requirement that at least one glucose monitor be covered with zero cost sharing. Also, carriers will be newly required to make a document summarizing the diabetes benefits under their plans in searchable, plain language text available online, along with instructions for beneficiaries on how to access the document and a link to their medical policy.

Ms. Lane listed principles used for determining value plan cost sharing: a preference for copays over coinsurance since consumers can more easily plan for the former; maximizing pre-deductible coverage; setting outpatient facility fee copays higher than those of outpatient providers; and increasing maximum out-of-pocket amounts whenever possible, which the Value Plan Workgroup prioritized in 2027 over increased deductibles. Many copays for 2027 increased as well.

Other Workgroup recommendations include that MHBE provide more information on diabetes coverage in the Maryland Health Connection (MHC) plan shopping tool and summarize carriers' websites for consumers, as well as conduct more consumer testing on the name "value plan," which may strike some consumers as indicating cheap, low-value plans. They also recommended requiring prior authorization data and denial data from insurers to make sure that consumers are actually receiving the benefits they paid for, particularly their diabetes benefits.

Ms. Klapper lauded the MHBE's practice of keeping the Value Plan Workgroup informed throughout the delay in the federal AV calculator's publication.

Federal and Legislative Updates, and SAC Discussion

Ms. Fabian-Marks then presented legislative and federal updates. Detailed slides are available in the presentation for this meeting. Ms. Fabian-Marks noted that the MHBE's priorities this year centered on implementation of the eligibility changes under H.R.1. Accordingly, during the 2026 legislative session the MHBE received additional funding in the agency budget for 12 new staff positions for information technology (IT) and consumer assistance support, a significant increase given the agency's size, along with funds for general IT costs.

Other relevant bills for this 2026 legislative session included the following

- Senate Bill (SB) 772: Requires the creation of a database for people affected by the Medicaid work requirement to be able to use for employment assistance.

- SB 794: Technical adjustment to state's pregnancy special enrollment period (SEP) to allow flexibility for pregnant individuals to choose to start coverage retroactively or prospectively.
- House Bill (HB) 1068: would have created a new SEP available for individuals hired by a small business that does not offer employer-sponsored coverage.
- SB 521: Creates a new SEP available to individuals who experience a material change in their plans provider network.
- HB 1112: Would have tasked the Health Insurance Coverage Protection Commission (HICPC) with an additional list of items related to individual and small group market stability, to study and report on. Ms. Fabian-Marks noted that, despite not passing, MHBE will collaborate with the Commission on some of the items included in the bill.

Federal updates that affected the MHBE include the Centers for Medicare and Medicaid Services (CMS) Program Integrity rule released in Summer 2025; H.R.1's changes to Marketplace operations and Medicaid eligibility; and the expiration of the enhanced premium tax credits (ePTCs). Ms. Fabian-Marks highlighted Deferred Action for Childhood Arrival enrollees' loss of eligibility for purchasing coverage through the Marketplace, elimination of subsidy eligibility for income-based SEPs, the loss of PTC eligibility for lawfully present immigrants with incomes under 100% FPL in 2026, and the shortening of open enrollment dates.

Starting in 2027, lawfully present immigrants making over 100% FPL will lose eligibility for PTCs. The PTC repayment cap for consumers making between 100% and 400% FPL was also removed, meaning lower income consumers will be responsible for repaying the full amount of excess tax credits they received.

She then discussed the new requirement starting in 2028 that new and renewing consumers must verify their information and resolve any data matching errors before receiving APTC. which will functionally end auto-renewal for consumers who receive APTC. Ms. Fabian-Marks explained that the MHBE is still waiting on more detailed federal regulations outlining the specific guidance for this provision.

She described how the 2027 Notice of Payment and Benefit Parameters codified many H.R.1 provisions but did not provide the level of flexibility for which the MHBE had advocated.

Other changes include allowing exchanges to certify non-network plans as qualified health plans, a theoretical concept in Maryland since no insurers have suggested offering such a plan; Increasing cost-sharing limits for Bronze and Catastrophic plans; and expanding eligibility for catastrophic plans to all ages. Overall, CMS stated the intent of these changes are to improve affordability, but Ms. Fabian-Marks noted that they could result in more out of pocket costs being shifted to the consumer.

Finally, Ms. Fabian-Marks listed H.R.1 changes to Medicaid eligibility, including the upcoming loss of eligibility for many lawfully present immigrants beginning October 1 of

this year. She noted that coverage for pregnant individuals and children, and Emergency Medicaid are not affected by this change, but roughly 15,000 individuals are expected to be impacted.

Medicaid work requirements will affect the approximately 320,000 ACA expansion adults enrollees. As many as an estimated 115,000 ACA adults could lose coverage as a result of these new requirements. MHBE is working quickly with MDH to set up inter-agency data exchanges to automate individual compliance determinations and will implement tools on MHC to allow people to self-screen for likelihood of being affected by the new work requirements, as well as finding more information through MHC and MDH websites. MDH and MHBE will launch an outreach campaign regarding all these changes.

The increased frequency of Medicaid eligibility redeterminations—which will be required every 6 months rather than every 12 for ACA expansion adults—will also be consequential. MHBE anticipates a large operational impact with regard to increased call volume at the call center and the need to send consumers notices.

Finally, Ms. Fabian-Marks noted that the length of retroactive Medicaid eligibility will decrease from three to one or two months, although MDH has noted that most people only get one month of retroactive eligibility already, so the hope is that the impact will be minimal.

Ms. Klapper expressed interest in the SAC being permitted to view the MHBE's outreach materials so that members can help spread the word about these changes. She praised the care the MHBE has taken to keep as many individuals insured as possible amidst these changes and noted that her organization advocated for HB 484, which would have ended a tax break on direct-to-consumer pharmaceutical advertising and directed the resulting funds toward health coverage efforts. While the bill did not pass, legislators and other organizations gave very positive feedback.

Allan Pack asked about projections for the uninsured rate and any potential impacts to the MHBE's funding after implementation of the changes discussed, and has MHBE thought about how these changes impact MHBE's agency funding since historically MHBE's budget was based off of level of services provided to Medicaid versus Marketplace enrollees. Ms. Fabian-Marks replied by indicating the impact is difficult to discern but noted national estimates showed Medicaid coverage losses as high as 115,000 due to all the eligibility changes, although the MHBE hopes to help reduce that figure through its outreach and system improvement efforts. She stated that the MHBE's estimated drop in individuals covered through the individual marketplace is around 15% of individuals, or 30,000 to 35,000 people, which works out to perhaps a 0.5 percentage point increase in the state uninsured rate. To the question about the MHBE's budget, MHBE draws down federal funds for their Medicaid work, and funding calculations for federal draw down are based on the proportion of individuals we serve through Medicaid versus private Marketplace coverage. So even if total enrollment numbers

shrink, the ratios should stay relatively the same and MHBE therefore does not anticipate any impact to overall agency funding.

Ms. Klapper stated that she has heard the Health Insurance Coverage Protection Commission is set to begin meeting in June and should be helpful in determining how to respond to the federal changes.

State-Based Subsidy: 2026 Updates and 2027 Program Parameters, and SAC Discussion

Standing in for the MHBE's new Director of Policy and Plan Management, Ken Buerger, Ms. Fabian-Marks then presented on the State Reinsurance Program (SRP) and the State Subsidy Program. Detailed slides are available in the presentation for this meeting. She provided background information on the SRP. She noted that the state covers about one third of insurers' claims costs through the program, allowing them to set lower premium rates. The MHBE Board sets parameters for the program each year, and the program is implemented in five-year increments under a federal 1332 waiver. The state will soon discuss the program's future since its state funding and the five-year waiver under which it operates are ending in 2028. Ms. Fabian-Marks noted that just 5% of MHC enrollees incur about two thirds of claims costs each year, and these are the individuals for whom insurers are compensated through the SRP.

Next, Ms. Fabian-Marks moved on to the State-Based Subsidy Program, the MHBE's other major affordability initiative. She gave an overview of the Young Adult Subsidy program that preceded the 2026 State Subsidy. She explained that the 2026 State Subsidy was authorized by 2025 HB 1082, in order to stabilize the market against the impact of the loss of enhanced PTCs. Funding for the state subsidy and SRP comes from a 1% assessment on state-regulated health insurance plans.

Ms. Fabian-Marks explained that the MHBE could only afford to fully backfill the lost ePTC for enrollees up to 200% FPL, and partially for enrollees between 200-400% FPL, but retained the additional young adult subsidy within the 2026 program parameters.

She then shared a list of considerations used in the modeling of 2027 subsidy program parameters. The MHBE Board approved proposed 2027 program parameters at their April meeting, which included maintaining general subsidies for those with incomes up to 200% FPL and the young adult subsidy program but gradually scaling down assistance for those making between 200% and 400% FPL. Ms. Fabian-Marks explained that the MHBE is still waiting on detailed data from insurers on their actual claims costs in 2025 and on the amount of funding the agency will receive from the federal government for 2026, which could alter the recommended 2027 parameters.

Ms. Fabian-Marks then described the recommended parameters for the SRP, which include slightly shrinking its generosity from covering individuals' claims above $24,000 per year, to above $28,000 per year. This would still leave the program at among the

most generous reinsurance programs nationwide while freeing up some additional funds to be used for the state subsidy.

Ms. Klapper asked for clarification on the items on which the MHBE is waiting to determine whether changes are needed to the recommended state subsidy parameters before bringing them to the Board in July. Ms. Fabian-Marks answered that, along with the 2026 federal funding amount for the SRP (which, if lower than expected, will mean less funds available for 2027), they are waiting on how much insurers spent on claims in 2025. These data will show how much the SRP will have to spend to reimburse insurers; a reimbursement amount higher than expected may lead to a deficit in funds for these programs in 2027.

Ms. Fabian-Marks welcomed any feedback on items the MHBE should consider in the course of their modeling for their affordability programs for 2027, or priorities for structuring those programs.

Ms. Klapper expressed that she is impressed with the generosity of Maryland's subsidy program for 2026 and pleasantly surprised at its proposed generosity for 2027. She stated the importance of the MHBE's affordability programs in helping keep Maryland a leader in protecting residents' access to health insurance coverage and furthering affordability and equity.

Speaking for her organization, Ms. Klapper remarked on the need for creative solutions to raise the revenue needed for programs to keep Marylanders enrolled in the face of federal changes. She noted that her organization's president will participate as a member in the Health Insurance Coverage Protection Commission. She expressed her organization's interest in bringing back a version of HB 484 in a future legislative session. She noted the Maryland Prescription Drug Affordability Board (PDAB)'s intention to set payment limits for high-cost drugs such as Ozempic and Jardiance and the concept that PDAB could use its authority to set statewide payment limits at Medicare maximum fair price amounts, generating significant savings and revenue. Her organization is also one of 180 supporting the Chesapeake Climate Action Network's proposal to pass the Renew Act to establish an assessment on Maryland's biggest polluters and direct the resulting revenue toward climate resiliency, including health care coverage and health equity. Ms. Klapper also advocated for renewal of, and possible increases to, the assessment that currently funds the MHBE's affordability program, which expires soon. She pointed to increases to tobacco, alcohol, and sweetened beverage taxes as other possible steps to help fund the MHBE's affordability programs and simultaneously bring about public health benefits.

Mr. Pack inquired about the gap between current revenue and the revenue needed to maintain the existing level of generosity of the MHBE's affordability programs, noting that any one particular revenue solution alone will likely be insufficient. Ms. Fabian-Marks answered that the 2026 state subsidy will cost $170-180 million this year, while the SRP's cost is more dynamic. The MHBE will be engaging in modeling over the summer to help inform legislative conversations regarding the necessary amount of

revenue for the programs, and how far extending the 1% assessment that currently funds the MHBE's affordability programs would go. She also noted that the state subsidy at its current scope was always intended to be a temporary solution for the loss of federal ePTC and could not be sustained indefinitely under current revenue sources.

The agency sought to keep people enrolled in the face of enhanced PTC losses in 2026 since bringing people back to enroll in coverage again once they disenroll is particularly difficult. Ms. Klapper responded that this approach makes sense and noted new data matching verification requirements as a compounding factor that could lead to enrollment losses in future years. She suggested programs to help Marylanders remain in coverage while they engage in the paperwork and other administrative steps necessary to stay enrolled.

Adjournment

Ms. Klapper thanked the group for their time and closed the meeting.

Public Comment

None offered.