



Maryland Health Benefit Exchange Board of Trustees

September 21, 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
JoAnn Volk, M.A.
Douglas Jacobs, M.D.
David Lehr
Marie Grant
Yvette Oquendo-Berruz, M.D.
Katherine Rodgers, Ed.D., MPH
Ken Brannan

Also in Attendance:

Johanna Fabian-Marks, Executive Director, MHBE
Nicole Edge, Program Manager, Plan & Partner Management, MHBE
Crystal L. Lee-Knight, Chief Operating Officer, MHBE
Tony Armiger, Chief Financial Officer, MHBE
Saiqa Atta, Director of Compliance, Audit and Privacy, MHBE

Meeting Call to Order and Approval of Minutes

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

Sec. Seshamani called the meeting to order, beginning by requesting a motion to approve the minutes of the August 4, 2026, public Board meeting. Dr. Oquendo-Berruz moved to approve the minutes, and Commissioner Grant seconded. Dr. Rodgers abstained from voting as she was absent during the August Board meeting. The motion was passed.

Board Committee Reports

Katherine Rodgers, Ed.D., MPH

Aika Aluc, Vice Chair

Dr. Rodgers opened with a report on the Maryland Health Benefit Exchange's (MHBE's) Policy Committee. She began by sharing that the Policy Committee met on August 26, 2026. She shared that the MHBE's legislative priorities for 2027 are focused on funding for major affordability programs, such as continuing the 1% reinsurance assessment and state-based individual insurance subsidies through 2032. She shared the MHBE is monitoring three federal regulatory updates. The first federal rule may freeze provider taxes and extend new limits to state health insurance taxes, possibly placing at risk funding for Medicaid and individual market affordability programs. Secondly, beginning in 2028, federal rules will end automatic re-enrollment for qualified health plan enrollees receiving Advance Premium Tax Credits (APTCs), requiring affected enrollees in the individual market to actively verify information each year to ensure coverage. Lastly, updated federal grant guidelines impose new compliance conditions, which the MHBE is evaluating to ensure they will not impact current waiver programs. Dr. Rodgers shared that the Policy Committee also reviewed carrier accountability reporting. She shared that the MHBE is attempting to make carrier accountability reporting more action oriented to tackle rising healthcare costs, specifically what actions carriers can take to manage preventable costs. This may include assisting enrollees with transitions to Medicare and Medicaid and increasing the use of generic drugs. Dr. Rodgers shared that the Policy Committee is beginning to discuss individual market certification standards for 2028.

Ms. Aluc then shared a report on the MHBE's Standing Advisory Committee (SAC). She shared that the SAC discussed the additional funding from the Maryland Health Services Cost Review Commission (HSCRC), Prescription Drug Affordability Board (PDAB) alignment, the impacts of H.R. 1, and the 2027 legislative session. Ms. Aluc highlighted an increase in engagement from SAC members, particularly in brainstorming collaboration initiatives with partners to spread awareness of H.R. 1 changes across the state. Ms. Volk asked for more details on these collaborations. Ms. Aluc responded that the SAC has been identifying organizations and individuals who actively work with enrollees, and ensuring these partners have full information on H.R. 1 changes, and thinking of additional communications strategies to spread the word.

MACo Report

Ken Brannan

Mr. Brannan shared that the Maryland Association of Counties (MACo) is a large collaboration of stakeholders in Maryland. He shared that he attended the event this year as the MHBE's representative, and that Sec. Seshamani and Commissioner Grant were present in their professional roles. Mr. Brannan shared that MACo's overarching themes are in alignment with the MHBE's goals related to addressing social determinants of health (SDoH); the overarching concerns at MACo this year were healthcare, housing, and artificial intelligence (AI). He noted that MACo provides many opportunities for collaboration in addressing SDoH. Mr. Brannan shared that he was successful in connecting with individuals and exchanging contact information via his MHBE business card. He reported that he will be attending MACo next year and hopes to represent the MHBE again, and he encouraged additional Board members to join him. Mr. Brannan mentioned that the state is currently at an inflection point, caused by the unavailability and unaffordability of health insurance for many citizens, and that this problem will require collaboration to fix. He shared that the MHBE's legacy has a tremendous amount of respect from state organizations, and that this was reinforced at MACo.

Sec. Seshamani emphasized the importance of giving people tangible tasks towards the goal of spreading awareness of the changes coming to Medicaid. She expressed appreciation for MACo's emphasis on healthcare, housing, and AI. Ms. Volk asked whether MACo is an organization with which Mr. Brannan communicates regularly under his responsibilities for the MHBE, and how MHBE's involvement came about. Mr. Brannan responded that he has attended MACo for many years as a healthcare advocate for several organizations. He also shared that MHBE has previously held tables at MACo, but were unable to do so this year, and he suggested sending at least one representative on the MHBE's behalf in the future. Mr. Brannan shared that his largest takeaway from MACo was the availability of a captive audience for the MHBE in addressing SDoH, should they choose to use it. Mr. Brannan recommended that the MHBE have a greater presence in some form at MACo in upcoming years. Ms. Fabian-Marks shared that the MHBE budgeted to send two Board members to MACo this year, but that Mr. Brannan was the only available member. She also emphasized the MHBE's strategic goal of creating opportunities for Board members to serve as ambassadors on behalf of the MHBE.

Executive Director Update

Johanna Fabian-Marks, Executive Director, MHBE

Ms. Fabian-Marks shared that the MHBE is preparing for open enrollment. She shared that the MHBE will be running renewals for existing qualified health plan (QHP) enrollees towards the end of September, with the goal of releasing plan renewal notices in the first week of October. The MHBE's goal is to update Maryland Health Connection with the available plans for 2027 in the first week of October, giving potential enrollees a month-long "plan shopping window" prior to open enrollment. Ms. Fabian-Marks reminded attendees that open enrollment takes place between November 1, 2026, and January 15, 2027, despite previously proposed federal legislation to limit the enrollment period.

Additionally, Ms. Fabian-Marks shared that the MHBE is preparing for the 2027 Medicaid eligibility changes. The MHBE sent notices to all adults currently enrolled in Medicaid who are likely to be affected by work requirements. She reminded attendees that work requirements will be effective January 1, 2027, for new enrollees, but that currently enrolled adults will be subject to the requirements at their first renewal date in 2027, or sooner if they report a change that impacts their eligibility.

Ms. Fabian-Marks then shared that the MHBE was awarded 12 additional staff members for fiscal year (FY) 2027, to assist with H.R. 1 changes, and that 7 of those positions now have start dates. Medicaid eligibility changes related to immigration status will be in effect at the end of September. The MHBE is prepared for this change, and the affected enrollees have been notified. Next, she shared that MHBE co-hosted a webinar on upcoming changes with the Maryland Department of Health (MDH), which had roughly 200 attendees. The webinar covered upcoming Medicaid and QHP eligibility changes for immigrants, Medicaid work requirements, and information on open enrollment.

Ms. Fabian-Marks reported that she testified at the Health Insurance Coverage Protection Commission on September 11, 2026, along with representatives from HSCRC and the Maryland Health Care Commission (MHCC), regarding the approved proposal to use funding from HSCRC's uncompensated care fund to support the MHBE and other healthcare providers in the state. She noted that the Commission was highly interested in the proposal. Ms. Fabian-Marks then shared that the MHBE is co-hosting a meeting with the Maryland Insurance Administration (MIA) on Maryland's small business insurance market on October 1, 2026. The MHBE has been asked to submit comments on the proposed federal provider tax rule, mentioned earlier by Dr. Rodgers.

Additionally, she mentioned that the CMS pre-enrollment verification rule for enhanced premium tax credits has not been released but is expected in October.

2027 Individual Market Qualified Health Plan Landscape

Nicole Edge, Program Manager, Plan & Partner Management, MHBE

Ms. Edge began by sharing that carrier service areas have not changed for 2027, with CareFirst, United Healthcare, and Wellpoint serving the entire state, and Kaiser Permanente serving select counties. She then shared that although there were no changes in the number of QHPs offered in 2027, there was a change in the coverage by carrier. CareFirst added a gold plan for 2027, and Kaiser discontinued their platinum plan, leaving no platinum plans in the market for 2027. There was no change in the number of plans for United and Wellpoint. Ms. Edge then shared a breakdown of the QHP landscape. She noted no noticeable differences in either deductible or actuarial value from 2026 to 2027.

Next, Ms. Edge presented changes in dental and vision plans. She noted a new stand-alone dental plan (SADP) in the individual market, provided by BEST Life. There were no changes in existing SADPs, and all plans will be offered statewide. There were no changes in stand-alone vision plans (SAVPs), with VSP continuing to offer the state's sole SAVP.

Dr. Jacobs asked if the cancellation of the state's only platinum plan by Kaiser will cause an issue for consumers. Ms. Edge responded that Kaiser is in the process of notifying its current platinum plan enrollees, and that the MHBE will be sending additional communications to echo this information. She estimated there are roughly 2,000 enrollees in the platinum plan currently, and that there has been minimal growth year-over-year. She then shared that the current enrollees will be transferred by Kaiser into a gold plan but will have the option to select a new plan during open enrollment. Commissioner Grant added that there may be concerns with additional cost sharing, but that platinum plans are "few and far between" nationwide.

Sec. Seshamani asked if there had been a recent policy change related to how many plans carriers can offer. Ms. Edge clarified that carriers are limited to three plans per metal level, but that this year the Board did approve regulations updating the limits for the small group market.

CSC Modification: Bilingual CSR Minimum and Broker Assisted Transfer (BATPhone) Program

Crystal L. Knight-Lee, Chief Operating Officer, MHBE

Tony Armiger, Chief Financial Officer, MHBE

Ms. Knight-Lee introduced a contract modification request for the bilingual customer service representative (CSR) minimum and broker assisted transfer (BATPhone) program in preparation for open enrollment. The BATPhone program connects consumers to authorized brokers during enrollment-related calls. Ms. Knight-Lee shared that the implementation of H.R. 1 is expected to increase Spanish language call volume, as certain immigrant populations navigate new eligibility requirements. The contract modification requests an increase in the minimum number of bilingual agents from 30 to 60, and to provide 50 Genesys licenses and 2 dedicated technical support representatives to staff the BATPhone program appropriately for open enrollment.

Ms. Knight-Lee then presented a chart displaying the near ten-times increase in overflow Spanish language calls during FY 2026. The per-minute Language Line billing peaked at \$144K during the month of January 2026. Language Line is the MHBE's current translation service provider. She attributed this cost to staying with a per-minute vendor rather than shifting volume to the call center with a flat rate for bilingual staff. The average cost per call for Language Line is \$12.47 compared to the estimated cost of \$3.18 per call for calls in-house through Maximus. The increase in bilingual agents has projected savings of \$183K to \$362K.

Mr. Armiger then summarized the proposed procurement. The first item, increasing the number of bilingual agents, would be effective November 1, 2026, to June 30, 2027. This amendment would cost \$38,125.37 per month, with a total cost of \$304,998 (\$126,635 state funds and \$178,363 federal funds). The second item, the BATPhone amendment, would be effective November 1, 2026, to January 15, 2027. This amendment would cost \$18,058.15 in state funds. He explained that the BATPhone amendment is entirely state funds, because the Federal government does not fund any QHPs.

Sec. Seshamani asked if the modification aimed to add Spanish speaking capability into the existing Maximus contract, and if any modifications needed to be made to the ad hoc Language Line utilization. Mr. Armiger responded that the goal is to reduce the number of calls being transferred to Language Line, due to an increase in the capabilities of Maximus.

Sec. Seshamani then asked for clarification into how potential costs and savings are incorporated into the MHBE's budget. Mr. Armiger explained that in preparing the FY 2026 budget, the MHBE was unaware of potential issues with Language Line costs. He shared that the estimated budget for Language Line was \$200K, but the actual cost

came in at \$900K. He added that Language Line utilization has continued to increase for FY 2027, and that Language Line will continue to be over budget in FY 2027 with no adjustments.

Ms. Volk asked which drivers caused the increase in call volume during January 2026. Mr. Armiger attributed this increase to the additional presence of Immigration and Customs Enforcement in late 2025, causing immigrant populations to rely on the call center for assistance rather than seeking in-person assistance at connector entities.

Sec. Seshamani requested a motion to approve Modification Number 15 for the Consolidated Service Center Contract in the amount of \$323,056 as presented. Dr. Oquendo-Berruz put forward the motion, which was seconded by Ms. Aluc. The motion was passed unanimously.

MHBE Compliance, Audit and Privacy Annual Report

Saiqa Atta, Director of Compliance, Audit and Privacy, MHBE

Ms. Atta introduced the report, which includes fraud, waste, and abuse (FWA) and consumer protection. She then outlined the two sectors of the MHBE's FWA responsibilities; monitoring and investigating alleged reports. The MHBE screens all indefinite delivery, indefinite quantity (IDIQ) master contractors, non-IDIQ vendors, carrier licenses, and employees against the Department of Health and Human Services (HHS)'s list of excluded individuals and entities. During FY 2026, there were no matches with the HHS list. She shared that in addition to HHS requirements, the MHBE requires all master contracts to screen IT consultants, and all connected entities to screen their employees and report any findings to the MHBE.

Ms. Atta shared details on the six FWA allegations investigated by the MHBE in FY 2026. First, the MHBE investigated two cases of undisclosed income by Medicaid recipients. Upon substantiation, the cases were forwarded to MDH's Office of the Inspector General. Next, the MHBE investigated potential unauthorized access to 47 health benefit exchange (HBX) accounts. The MHBE blocked telephone numbers associated with unauthorized users who were able to access HBX accounts via the call center. Ms. Atta emphasized MHBE does not have reason to believe that these attempts are a widespread problem, and the MHBE is not currently aware of any unauthorized users. Next, the MHBE is currently investigating concerns over a former business partner's management of staff. Finally, the MHBE is currently investigating concerns involving potential improper coverage for less than 50 individuals; this number consolidates two reports into one investigation. Ms. Atta noted that the MHBE cannot share current information due to the ongoing nature of the last two investigations, but it

will be shared after the investigations close. Detailed slides are available in the presentation for this meeting.

Mr. Brannan asked if the MHBE anticipates concerns about compliance with upcoming changes in federal regulations. Ms. Atta responded that it is difficult to predict federal regulations, but that the MHBE and its partners are strictly following its processes and internal controls. She noted that some of these concerns were identified during routine audits. Ms. Fabian-Marks added that the MHBE's largest immediate challenge is Medicaid work requirements, and the challenges that enrollees may face in applying for or renewing their coverage due to additional verification requirements rather than enrollee's noncompliance from an FWA standpoint.

Ms. Atta then shared details on the MHBE's privacy program. She shared that programmatic activity included viewing and updating data use agreements and updating routine non-exchange entity agreement templates to comply with new laws and privacy requirements pertaining to technological advancements such as AI. Additionally, operations included performing a privacy impact assessment of the MHBE's information systems, and an assessment of the MHBE's compliance with ARC-AMPE. She shared that both deliverables are due to CMS by June each year. Ms. Atta shared that the MHBE additionally assessed its connector entities in September 2025. In terms of procedures, Ms. Atta shared that the MHBE updated its privacy notice, rolled out phase I of its record retention policy, updated several staff training modules and ensured staff training was updated on cybersecurity and FWA materials.

Ms. Atta then summarized the MHBE's privacy statistics. She shared that while changes year-over-year are expected, these changes have been statistically insignificant for the MHBE's two most common incidents, misloads and unsecure producer emails, and for total number of incidents. She reminded the Board that the MHBE's goal is to mitigate the impact of privacy issues on the consumer, and that risk assessment and breach notification processes are always working on the back end.

Ms. Atta shared that only 10 out of 85 MHBE policies need renewal in FY 2027, a number she attributed to the MHBE's efforts to update the bulk of their expired policies during 2024 and 2025. Ms. Atta then updated the Board on the compliance department's internal review of the MHBE's departmental functions. She shared that six internal reviews were initiated in FY 2026, but only two were completed due to staff turnover in the compliance department. Of the four paused internal reviews, three are essentially finished, other than closeout memoranda. Ms. Atta then presented a list of the external audits of MHBE conducted in FY 2026. Detailed slides are available in the presentation for this meeting.

FY 2026 Annual Financial Statement and Procurement Review

Tony Armiger, Chief Financial Officer, MHBE

Mr. Armiger opened by sharing the FY 2026 financial projections. In May, the FY 2026 projection was \$38,000 under budget, but the actual number in June was \$568,000 under budget. Mr. Armiger highlighted two expenditures that were difficult to estimate in the initial projections, connector entities and the call center. He explained that these items are difficult to project, as the federal government has different reimbursement levels for eligibility related (75%), and non-eligibility related (50%) interactions. Mr. Armiger shared that the call center and connector entities were \$305,000 under budget but attributed most of the estimate to the call center. Mr. Armiger shared that the MHBE is re-evaluating its methodology in projections for FY 2027.

Mr. Armiger then shared that connector entities were initially projected to be over budget by \$103,000, but the realized number came to \$157,000 under budget. He attributed this number to a combination of increased federal fund participation, and a lower actual spend by connector entities than expected. Mr. Armiger then restated the call center's \$305,000 reconciliation, sharing that this number is estimated due to a lack of knowledge on the share of eligibility and non-eligibility related calls. He explained to the Board that the actual calculation is done at the end of the quarter, and that the reconciliation entry is done at year-end.

Next, Mr. Armiger shared that total IT costs came out \$686,000 under budget. He attributed this number mainly to the H.R. 1 IDIQ having lower costs than expected. He shared that software costs came out \$506,000 over budget, in part due to the need to acquire more software to improve cybersecurity.

Mr. Armiger then reported that the MHBE was \$920,000 under budget in regard to the MHBE's Medicaid fulfillment memorandum of understanding (MOU) with MDH. However, he noted that the MHBE was \$1.02 million over budget for the call center, leaving the total between the two areas \$97,000 over budget. Next, Mr. Armiger shared that salaries and benefits were \$568,000 over budget for FY 2026. He explained that causes for this included the vacancy rate being lower than expected and IT salaries for quarter two were 100% state funded, which was corrected for quarters three and four.

Ms. Volk re-emphasized that a large portion of the reconciliation is due to the distribution of consumer assistance interactions between connector entities and the call centers, and type of interaction in each setting. Ms. Fabian-Marks added that the Board

sets a not-to-exceed limit for spending on connector entities, and that the MHBE works with connector entities to ensure they do not breach this limit, specifically in state funds. Sec. Seshamani shared that the MHBE and MDH are assessing the effectiveness of connector entities, and how these funds can be spent most wisely. She emphasized that connector entities will be challenged in the upcoming year with federal legislation, including H.R.1. Ms. Fabian-Marks shared that the MHBE is using a new evaluation framework this year, but that they would be happy to share more information with the Board at an upcoming meeting.

Mr. Armiger then shared a summary of procurements in FY 2026. The MHBE issued 5 requests for proposals, 42 invitations for bids, and 24 requests for resumes during FY 2026. He shared that the MHBE is receiving more bids than in previous years. Also, during FY 2026, the MHBE had 5 state contracts, 3 contract modifications and 1 grant solicitation. There were 224 total procurement requests in FY 2026. Mr. Armiger shared that these are small requests, all totaling less than \$15K. He commended the finance and procurement team for their hard work.

Mr. Armiger highlighted that the Minority Business Enterprise (MBE) prime and subcontractors were awarded contracts totaling \$24.8 million, representing 48.8% of all contracts awarded in FY 2026. He shared that the state goal is 29% of contracts being awarded to MBE entities, which the MHBE has exceeded. He added that the MHBE has a committee that meets prior to solicitation, to determine the goal of solicitation relative to MBEs.

Adjournment

Commissioner Grant moved to close the meeting. Mr. Jacobs seconded the motion. The motion passed unanimously, and the meeting was adjourned.