

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 739  
Health

(Delegate Martinez)

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Health Insurance - Prompt Payment of Claims - Requirements

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This bill alters requirements for an insurer, nonprofit health service plan, and health maintenance organization (collectively carriers) regarding prompt payment of claims. Specifically, the bill (1) clarifies that notice of receipt of a claim may be sent by mail or email; (2) specifies that refusal to reimburse all or part of a claim must be considered a denial; and (3) for claims where notice has been sent to the provider advising that additional information is necessary and the provider does not send such information within 30 days, requires the carrier to pay the claim or send a denial notice.

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Fiscal Summary

**State Effect:** Any additional workload on the Maryland Insurance Administration can be handled with existing budgeted resources. Revenues are not affected. No impact on the State Employee and Retiree Health and Welfare Benefits Program.

**Local Effect:** None.

**Small Business Effect:** Potential meaningful.

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Analysis

**Current Law/Bill Summary:** Under current law, within 30 days of receipt of a claim for reimbursement, a carrier must mail or transmit payment for the claim or send a notice of receipt with the status of the claim. The notice must state that (1) the carrier refuses to reimburse all or part of the claim and the reason for refusal; (2) the legitimacy of the claim or the appropriate amount of reimbursement is in dispute (and the additional information necessary to determine if all or part of the claim will be reimbursed); or (3) the claim is not

clean and the specific information necessary to be considered clean. If a carrier wholly or partially denies a claim for reimbursement, the carrier must permit a provider a minimum of 90 working days after the date of denial to appeal the denial. Under the bill, the notice of receipt may be sent via mail or email; also, a refusal to reimburse all or part of a claim as stated in the notice must be considered a denial of all or part of the claim.

Under current law, if a carrier disputes a portion of a claim, it must provide payment for any undisputed portion within 30 days of receipt of the claim. If a carrier requests specific additional information, the carrier must pay the claim within 30 days after receiving receipt of the requested information. The bill specifies that, if a provider does not send the requested additional information within 30 days, the carrier must either (1) mail or otherwise transmit payment for the claim or (2) mail or email a notice of receipt with the status of the claim.

**Small Business Effect:** Under the bill, if a carrier refuses to reimburse all or part of a claim, it must be considered a denial. Thus, small business health care providers for whom all or part of a claim is not reimbursed will receive a notice of denial and may move to appeal the claim.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Department of Budget and Management; Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - February 18, 2026  
caw/ljm

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