

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 865  
Health

(Delegate Cullison)

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Health Insurance - Remittance Advice - Interest on Late-Paid Claims

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This bill requires an insurer, a nonprofit health service plan, or a health maintenance organization that owes interest on an unpaid clean claim to provide remittance advice to the person that filed the claim that separately identifies and itemizes the interest.

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Fiscal Summary

**State Effect:** None. The change is procedural in nature and does not directly affect governmental finances.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law:** Maryland regulations (COMAR 31.10.11.02) define “clean claim” to mean a claim for reimbursement submitted to a third-party payor by a health care practitioner, pharmacy or pharmacist, hospital, or person entitled to reimbursement that contains specified information, such as essential data elements and any related attachments, which may vary by provider type.

A carrier that does not pay clean claims must pay interest on the amount of the claim that remains unpaid 30 days after the claim is received. Interest must be paid at a monthly rate of (1) 1.5% from the thirty-first through sixtieth day; (2) 2.0% from the sixty-first through one hundred-twentieth day; and (3) 2.5% after the one hundred-twentieth day.

A carrier in violation of these requirements is subject to a fine of up to \$500 per violation and additional penalties for frequent violations that indicate a general business practice. Interest must be included in any late reimbursement to the provider.

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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):** Maryland Insurance Administration; Maryland Department of Health; Department of Legislative Services

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