Maryland
Hospital Association

House Bill 739- Health Insurance - Prompt Payment of Claims - Requirements

Position: *Support*
February 19, 2026
House Health Committee

MHA Position

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to comment in support of House Bill 739. This legislation would improve how insurers communicate with hospitals and other health care providers during the claims process. Many delays in payment occur when payers do not clearly communicate a claim's status or the additional information needed for processing. HB 739 would reduce these delays by setting clearer expectations and communication requirements.

Under the bill, insurers would be required to notify providers about the status of a claim instead of requiring providers to search through online portals. Hospitals are often told to log into a portal to look for updates, which forces staff to check claims one at a time. This system is slow and often does not provide enough detail to understand what the insurer needs. Payers can currently delay payment simply by asking for more information and placing the claim on hold. In many situations, the provider never receives a clear explanation of what the insurer is looking for or does not realize that additional details have been requested at all. When the instructions are vague or never communicated, the provider cannot respond, and the claim sits untouched with no progress. HB 739 improves this process by requiring insurers to tell providers what information is needed and by giving providers a deadline to supply it. This closes the communication gap and helps prevent claims from being stalled indefinitely.

The bill also requires insurers to take action when a provider does not submit the requested information within the specified timeframe, such as 30 days. Instead of letting a claim sit in limbo, the insurer must issue a denial. A clear denial allows the provider to understand that a response is needed and to correct the claim or file an appeal. This requirement prevents indefinite delays and ensures that claims reach a resolution rather than remaining open without explanation.

Maryland hospitals regularly face operational challenges when claims remain pending for long periods without explanation. HB 739 provides practical improvements that will help reduce administrative burdens and support timely resolution of claims.

For these reasons, we request a favorable report on HB 739.

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