



Maryland
Hospital Association

April 13, 2026

Marie Grant
Insurance Commissioner
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, MD 21202

Dear Commissioner Grant:

On behalf of the Maryland Hospital Association (MHA) and its member hospitals and health systems, I am writing to comment on CareFirst's request for a mid-year increase in premium rates for small group market BlueChoice HMO plans.

The requested change would result in double-digit rate increases for these plans over 2025, impacting more than 70% of all Marylanders enrolled in small group market plans—nearly 144,000 people.¹ MHA recognizes rates may need to be adjusted to account for risk corridor payments and other costs not fully captured in the annual rate filing. However, an increase of this magnitude threatens affordability of health care coverage for small businesses and their employees.

Significant premium increases risk pricing individuals and families out of coverage, particularly at a time when Marylanders are already facing higher costs for other necessities like housing and food. Maintaining access to affordable coverage is essential to ensure that people can seek care when they need it, rather than delaying or forgoing health care services due to cost.

We encourage the Maryland Insurance Administration (MIA) to carefully review CareFirst's rationale and analyses to determine if the proposed adjustment is reasonable and if a mid-year change is necessary. When evaluating this rate request and others like it, MIA must ensure that the rates are not excessive in relation to benefits, inadequate, or unfairly discriminatory. Under this standard, maintaining plan affordability must be a foundational consideration. We respectfully urge MIA to evaluate whether CareFirst has taken all measures available to manage increased costs without passing the burden on to Marylanders through higher premiums.

While CareFirst projects a medical loss ratio (MLR) of 82.1% for the applicable plans after accounting for the requested rates, BlueChoice's MLR for CY 2024 was 74.4%, well below both the 2024 average for Maryland's group market plans (78.9%) and the statutorily mandated minimum for small group plans (80%).² Furthermore, the administrative expense ratio cited in CareFirst's documentation (13.4%) is notably higher than national benchmarks based on data

¹ Based on MIA [estimate](#) of 2025 enrollment in small group market plans.

² NAIC. *U.S. Health Insurance Industry: 2024 Annual Results*, available [here](#).

through mid-2025 reported to the National Association of Insurance Commissioners (10.1%).³
Due to the size and mid-year timing of the request, we ask MIA to thoroughly review the request to ensure that it is justified.

Thank you for the opportunity to comment on this important matter. We look forward to continuing to work with MIA to make health care accessible and affordable for all Marylanders.

Sincerely,



Patrick D. Carlson
Vice President, Care Transformation & Finance

cc: Bradley Boban, Chief Actuary, Maryland Insurance Administration

³ NAIC. U.S. *Health Insurance Industry: 2025 Mid-Year Results*, available [here](#).