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BULLETIN 25-12

Date: September 12, 2025

To: Insurers, Nonprofit Health Service Plans, and Health Maintenance Organizations Offering Health Benefit Plans in the Small Employer or Individual Markets in Maryland (“Carriers”)

Re: Exemption from Participation in the Maryland Health Benefit Exchange in 2026

The purpose of this Bulletin is to provide guidance to carriers regarding required filings for an exemption from participation in the Maryland Health Benefit Exchange in 2026.

Authority

Sections 15-1204.1(b) and 15-1303(b) of the Insurance Article, Annotated Code of Maryland, prohibit carriers from offering health benefit plans, other than grandfathered health benefit plans, in the small employer or individual markets in Maryland unless they also offer qualified health plans in the Small Business Health Options Program (SHOP) Exchange or the Individual Exchange, respectively.

Section 15-1204.1(b)(2) of the Insurance Article provides that a carrier is exempt from offering qualified health plans in the SHOP Exchange if the reported total aggregate annual earned premium from all health benefit plans offered to small employers in the State for the carrier and other carriers in the same insurance company holding system is less than \$20,000,000.00, and the Commissioner determines that the carrier complies with the procedures outlined in this Bulletin.

Section 15-1303(b)(2) of the Insurance Article provides that a carrier is exempt from offering qualified health plans in the Individual Exchange if:

1. The carrier complies with the procedures in this Bulletin; and
2. The carrier satisfies one of the following:

- a. The reported total aggregate annual earned premium from all individual health benefit plans in the State for the carrier and other carriers in the same insurance company holding system is less than \$10,000,000.00; or
- b. The only individual health benefit plans that the carrier offers in the State are student health plans as defined in 45 C.F.R. § 147.145.

Exemptions from Participation

If the carrier is requesting an exemption based on aggregate annual premium, the exemption from participation in each Exchange shall be based on earned premium data for the calendar year that is two years before the requested year of exemption. For example, exemptions from participation in the SHOP Exchange in 2026 will be based on calendar year 2024 total aggregate earned premium from all small employer health benefit plans in the State for all carriers in the same insurance holding company system. Likewise, exemptions from participation in the Individual Exchange in 2026 will be based on calendar year 2024 total aggregate earned premium from all individual health benefit plans in the State for all carriers in the same insurance holding company system.

Carriers requesting exemptions from participation in the SHOP Exchange, the Individual Exchange, or both for 2026 are required to file written requests to the Commissioner, signed by an individual with the authority to bind the carrier. If the exemption request is based on the aggregate annual premium, the exemption request is required to specify the applicable total aggregate 2024 earned premium for the carrier and, if applicable, all carriers in the same holding company system for the applicable market(s).

Written exemption requests should be directed to Karen Lam, Chief of Health Insurance and Managed Care, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202 or by email to karen.lam@maryland.gov. Exemption requests based on the aggregate annual premium are due on or before **December 15, 2025**. Exemption requests based on student health plans being the only individual health benefit plans offered by the carrier are due on or before **February 2, 2026**. Questions about this Bulletin may be directed to the Life/Health Section of the Maryland Insurance Administration at 410-468-2170.

MARIE GRANT
Commissioner

By:

David Cooney
Associate Commissioner
Life and Health