

BCA_FAV_SB228

Uploaded by: Blendy, Nicholas

Position: FAV



BERNARD C. "JACK" YOUNG
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

SB 228

February 19, 2020

TO: Members of the Senate Finance Committee
FROM: Nicholas Blendy, Deputy Director of Government Relations
RE: Senate Bill 228 – Commission on Universal Health Care
POSITION: SUPPORT

Chair Kelley, Vice Chair Feldman, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 228.

Maryland continues to make significant strides and find innovative ways to expand healthcare access without increasing health care costs. Through Medicaid expansion, Maryland reduced the uninsured rate from 13 percent in 2013 to 7 percent in 2019.¹ Despite these efforts, over 360,000 Maryland residents remain without coverage.²

Universal health care has the potential to save lives and money. States in the early implementation stages of single payer models are already beginning to demonstrate cost savings and improved health care access. In three years of its Vermont All-Payer Accountable Care Organization (ACO) Model, Vermont has demonstrated \$97 million in Medicare savings.³ Beneficiaries in this program increased their use of primary care and behavioral health services and in turn significantly reduced their costly Emergency Department visits and inpatient admissions.⁴ A recent *Lancet* study by University of

¹ Quickfacts Maryland. United States Census Bureau, 2019. Accessed February 18, 2020. Available at: [Census.gov/quickfacts/MD](https://www.census.gov/quickfacts/MD)

² Ibid.

³ Center for Medicare and Medicaid Services' Report Recognizes Vermont's All-Payer Health Reform. Vermont Official State Website. 9 April 2019. Accessed February 18, 2020. Available at: governo.vermont.gov/press-release/

⁴ Ibid.

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Maryland School of Medicine epidemiologists calculated that a single-payer healthcare system would save 68,000 lives in the US and more than \$450 billion in healthcare expenditures annually.⁵

This bill presents Maryland with an opportunity to continue its leadership on healthcare and expand coverage to the hundreds of thousands of Maryland residents who remain uninsured. In a country with rapidly growing health care costs due to emergency room visits, an aging population, and a growing burden of chronic disease, this bill provides Maryland a model to increase health care access and potentially improve healthcare outcomes and reduce healthcare cost.⁶

For the above reasons, we respectfully request a **favorable** report on Senate Bill 228.

⁵ Galvani AP et al. Improving the prognosis of health care. *Lancet*. February 2020; 395(10223): 524-533.

⁶ Sun R et al. Statistical Brief 238: Trends in Hospital Emergency Department Visits by Age and Payer, 2006-2015. Healthcare Cost and Utilization Project. Agency for Healthcare Research and Quality. Accessed February 18, 2020. Available at: hcup-us.ahrq.gov/reports/statbriefs; Healthcare Costs for Americans Projected to Grow at An Alarming High Rate. Peter G. Peterson Foundation. 1 May 2019. Accessed February 18, 2020. Available at: pgpf.org/blog/2019/05/

HCH_FAV_SB 228

Uploaded by: Diamond, Joanna

Position: FAV

HEALTH CARE FOR THE HOMELESS TESTIMONY
IN SUPPORT OF
SB 228 - Public Health - Commission on Universal Health Care

Senate Finance Committee
February 19, 2020



Health Care for the Homeless strongly supports SB 228, which would establish the Commission on Universal Health Care to develop a plan for the State to establish a universal health care program to provide health benefits to all residents of the State through a single-payer system. Health Care for the Homeless is deeply committed to supporting measures to increase access to comprehensive health care for all Marylanders. Only when everyone has the same access to health care will *everyone's* care be affordable, accessible, and adequate. Developing a plan for a health care system that works for everyone is a great first step.

Over 350,000 Marylanders lack health insurance.¹ Without routine access to primary and preventative health care, the uninsured often are diagnosed at more advanced stages of disease and, once diagnosed, tend to receive less therapeutic care. When they are sick, many have few places to turn other than costly emergency rooms – generating a bill six to 12 times the amount of a primary care visit. The higher costs incurred by low-income uninsured households eventually are absorbed by all consumers through higher insurance rates, higher charges for medical care, and public subsidies for uncompensated care. A single payer system would enable everyone to receive the care they need in the most appropriate venue, control costs for everyone, and ultimately provide for better health outcomes for Maryland residents.

SB 228 is a step to preventing bankruptcy, poverty and homelessness. Health Care for the Homeless strongly supports efforts to ensure that Maryland's uninsured poor have access to comprehensive health insurance as a means to provide needed health care services. For those living near poverty who are uninsured, unexpected health problems can lead to financial ruin and homelessness. Bankruptcy attributed to medical debt continues to be astronomical. A single payer system that separates health insurance from employment would prevent cause-and-effect slides into poverty and homelessness by uniting coverage into one insurance pool that protects everyone from financial ruin due to illness and disability.

SB 228 will help address the shortfalls of healthcare reform. Although the Maryland General Assembly has significantly increased access to health services for Marylanders, these efforts haven't resulted in universal access to health care: employer-sponsored health coverage continues to decline, premiums continue to rise, and Maryland residents continue to lack coverage. SB 228 would replace the current system of fragmented care and coverage and guarantee health security for all Marylanders. We encourage a favorable report on SB 228.

Health Care for the Homeless is Maryland's leading provider of integrated health services and supportive housing for individuals and families experiencing homelessness. We work to prevent and end homelessness for vulnerable individuals and families by providing quality, integrated health care and promoting access to affordable housing and sustainable incomes through direct service, advocacy, and community engagement. We deliver integrated medical care, mental health services, state-certified addiction treatment, dental care, social services, and housing support services for over 10,000 Marylanders annually at sites in Baltimore City and Baltimore County. For more information, visit www.hchmd.org.

¹ Kaiser Family Foundation, *State Health Facts*, available at <http://www.statehealthfacts.org/profileglance.jsp?rgn=22&rgn=1>.

MattCelentano_UNF_SB228

Uploaded by: Celentano, Matt

Position: UNF



15 School Street, Suite 200
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For information, contact:
Matthew Celentano, Executive Director

Testimony
for the Senate Finance Committee
In **OPPOSITION** to

Senate Bill 228 – Public Health – Commission on Universal Health Care

February 19, 2020

The League of Life and Health Insurers of Maryland Inc. respectfully **opposes** Senate Bill 228 and urges the committee to give the bill an unfavorable report.

Every Marylander deserves affordable coverage and high-quality care. We have made real progress in our State to ensure more people are covered, and the care they receive gets them well when they are sick and keeps them well when they are healthy. But more needs to be done, especially when it comes to costs. Health care costs have been a financial anchor for too many families for too long. Everyone – including doctors, health plans, patients, and government – must come together to find solutions that deliver real results.

Our goal should be to build on proven solutions that work – not theoretical, one-sized-fits-all approaches that don't. Proven solutions like value-based care; new tools, technology, and treatments driven by data; social services that coordinate around patients; market competition that drives down costs; community partnerships between the private sector and public programs; and more effective approaches to treat chronic illnesses.

Today we are seeing more support for private market solutions, not less. For example, with respect to Medicare Advantage and Medicaid, today, about a third of all Medicare beneficiaries choose to buy coverage from a private health plan rather than traditional Medicare. They choose private plans because these plans deliver more choice, better services, and better value. With respect to Medicaid, 39 states are working with private health plans to serve 70% of all Medicaid beneficiaries. Why? Because the private market delivers real results for states, beneficiaries, and the taxpayers who support them.

The most effective way to ensure affordable care and coverage is to strengthen the private market's ability to serve the American people, whether it's building upon private plans serving nearly 180 million people who get their coverage through their employer or the tens of millions who depend on private plans that partner with public programs.

The League of Life and Health Insurers of Maryland, Inc.
15 School Street, Annapolis, MD 21401
410-269-1554
www.leaguemaryland.com

Whether you call it single-payer, HealthcareMaryland, or Medicare For All, government-controlled health care is not the answer. It will eliminate choice, undermine quality, put a chill on medical innovation, and place an even heavier burden on hardworking taxpayers and small business in our State. Senate Bill 228 and the commission it creates specifically excludes health care providers, facilities, clinic, prescription drug companies, medical equipment innovators, and all insurance companies – basically all angles of expertise and stakeholders that could help to improve Maryland's health care system. We do not believe a commission without specific expertise should move forward.

We should build on private-sector successes, not abandon them. Let's work together to make health care truly affordable for everyone.

For the above reasons, we urge the committee to give Senate Bill 288 an unfavorable report.

The League of Life and Health Insurers of Maryland, Inc.
15 School Street, Annapolis, MD 21401
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MHA_INFO_SB 228

Uploaded by: Raswant, Maansi

Position: INFO



Maryland
Hospital Association

February 19, 2020

To: The Honorable Delores Kelley, Chairman
Senate Finance Committee

From: Maansi Raswant, Vice President, Policy
Maryland Hospital Association

Re: Letter of Information- Senate Bill 228- Commission on Universal Health Care

Dear Chairman Kelley:

On behalf of the Maryland Hospital Association's (MHA) 61 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 228.

Maryland's 61 nonprofit hospitals and health systems care for millions of people each year, treating 2.3 million in emergency departments and delivering more than 67,000 babies. The 108,000 people they employ are [caring for Maryland](#) around-the-clock every day—delivering leading edge, high-quality medical service and investing a combined \$1.75 billion in their communities, expanding access to housing, education, transportation, and food.

Hospitals believe patient-centered, quality, and efficient care depends on broad-based health care coverage. We appreciate the General Assembly's leadership and commitment to ensuring Marylanders have coverage and access to health care services and look forward to continuing to work together to achieve this shared goal.

Under Maryland's unique Total Cost of Care agreement with the federal government, hospitals are lowering costs and improving population health. In addition to treating illness and injury, hospitals reach out beyond their four walls to keep people well and improve the health of the communities they serve. The result: hospitals take care of the whole person, empower patients and families, coordinate care among different providers, and address social factors that influence people's health.

Expanded health care coverage is essential to the success of the Total Cost of Care agreement. Affordable, comprehensive coverage improves the likelihood that people will access preventive care and ambulatory services—avoiding unnecessary hospital utilization. This is better for everyone, allowing for care delivery in a lower cost setting and potentially preventing or treating an illness early instead of waiting until circumstances are critical.

As a country and state, we have made major progress toward achieving universal coverage. The Affordable Care Act expanded insurance coverage to approximately 400,000 people across the state, lowering the rate of uninsured Marylanders from 11% to 6%.^{i, ii} Last year, Gov. Larry

Hogan signed into law the Maryland Easy Enrollment Health Insurance Program, which could cover an additional 100,000 people.ⁱⁱⁱ As 2019 tax returns are filed, enrollment in the Maryland Exchange is expected to increase.^{iv} Currently, an estimated 200,000 Marylanders lack insurance. Several proposals in front of the General Assembly this session would expand access to coverage, including an additional state-level subsidy for individuals purchasing coverage from the exchange; a requirement for more carrier participation in the individual exchange; and more investments in the small business exchange.

Maryland Health Insurance Coverage Protection Commission is leading several initiatives to continue coverage expansion in the state. These initiatives, in which hospitals are active partners, would strengthen the insurance marketplace and explore additional ways to transform the health care coverage system in the state. Given this progress, large-scale disruption to the state's health care coverage and delivery systems could be detrimental to the ultimate goal of ensuring insurance coverage for all Marylanders.

Maryland's hospitals know firsthand the importance of broad-based, continuous coverage and how critical it is for the success of the model. Under the model, our hospitals have lowered health care spending, while improving quality of care. That includes lowering the rate of hospital readmissions to below the national average.

These improvements were only realized because of the synergies between our unique care delivery model and the expansion of health coverage.

Therefore, as you consider legislation, we encourage you to evaluate its impact on the Total Cost of Care Model and the coverage initiatives already in place or set to begin in the state. Any significant disruption to the health care landscape, or additional costs for the health care system, actually increase the risk that these initiatives will fail. We urge the state to be continuously mindful of its approach to maintain and increase access to health care coverage—the very foundation of our unique and respected health care delivery model.

For more information, please contact:

Maansi Raswant
Mraswant@mhaonline.org

ⁱ Maryland Health Benefit Exchange. *Annual Report 2018*. Retrieved from: https://www.marylandhbe.com/wp-content/uploads/2018/11/MHC_AnnualReport_2018.pdf

ⁱⁱ Maryland Department of Legislative Services. *Issue Papers- 2019 Legislative Session*. (2018). Retrieved from: <http://dls.maryland.gov/pubs/prod/RecurRpt/Issue-Papers-2019-Legislative-Session.pdf>

ⁱⁱⁱ Stan Dorn, Health Affairs. *Maryland's Easy Enrollment Health Insurance Program: An Innovative Approach to Covering the Eligible Uninsured* (May 13, 2019). Retrieved from: <https://www.healthaffairs.org/doi/10.1377/hblog20190510.993788/full/>

^{iv} Louise Norris. *Maryland Health Insurance Marketplace: History and News of the State's Exchange*. (Jan. 22, 2020). Retrieved from: <https://www.healthinsurance.org/maryland-state-health-insurance-exchange/>

MDH_INFO_SB228

Uploaded by: Ye, Webster

Position: INFO



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

February 19, 2020

The Honorable Delores G. Kelley, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401-1991

RE: SB 228 – Public Health – Commission on Universal Health Care – Letter of Information

Dear Chair Kelley and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of information to Senate Bill 228 (SB 228).

The State of Maryland is committed to delivering two substantial and consensus health care transformational projects over the next few years: the Total Cost of Care Model and the State Reinsurance Program. Failure of either project is not an option as it would deal a critical blow to the Maryland health care system. Should SB 228 be passed, it would likely invite federal scrutiny and jeopardize the Total Cost of Care Model agreement, and thereby threaten the foundation of Maryland's health care financing system. Similarly, our State Reinsurance Program is currently viewed as a national model for state innovation by the federal government.

Rather than divert our attention and resources toward efforts that will require, and likely not receive, new federal approval, the Department respectfully suggests that we should proceed on the previously agreed-upon consensus efforts to deliver health care change to Maryland. In addition, we suggest that the General Assembly has already set up the mechanism and forum to discuss the intent of SB 228 under the General Assembly's Health Insurance Consumer Protections Workgroup of which the Vice-Chair is a co-chair.

In July 2018, the Governor, the House Speaker, and the Senate President signed an agreement with the federal government to implement the Total Cost of Care Model. After two years of hard negotiations with virtually the entire continuum of Maryland's health care stakeholders and the new federal administration, Maryland has a roadmap for the next ten years. The Total Cost of Care Model expands Maryland's cost commitment to total system savings of \$300 million per year by 2023 and has a second five-year contract extension. The Total Cost of Care Model began on January 1, 2019.

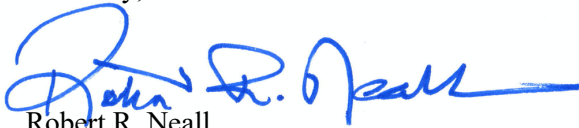
The 2018 General Assembly and Governor Hogan worked together on a bi-partisan basis to pass two critical pieces of legislation – HB 1795 and SB 387 – to create and fund the claims-based State Reinsurance Program. Through the State Reinsurance Program and the hard work of our colleagues at the Maryland Insurance Administration and MHBE, Maryland delivered a net reduction in health insurance premiums for 2019 by an average of 13.2 percent. Maryland's State Reinsurance Program has adequate funds from last year's action for 2020, 2021, and, we believe, 2022. For 2019, while most markets lost enrollees across the country, Maryland's individual market grew 26 percent above estimates and made gains in key groups. In 2020, Maryland decreased individual health insurance plans by an average of

10.3%. We are working with key stakeholders to (1) bring in more insurance carriers into the individual market and (2) to ensure that the issue of high-deductible plans is mitigated.

The Hogan Administration and the Department remain committed to working together with the House and Senate to find short-term and long-term solutions to the structural health care issues with which we are faced.

I hope this information is useful. If you would like to discuss this further, please contact Director of Governmental Affairs Webster Ye at (410) 260-3190 or webster.ye@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert R. Neall", with a long horizontal flourish extending to the right.

Robert R. Neall
Secretary