

MedChi

The Maryland State Medical Society
1211 Cathedral Street
Baltimore, MD 21201-5516
410.539.0872
Fax: 410.547.0915
1.800.492.1056
www.medchi.org

TO: The Honorable Shane E. Pendergrass, Chair
Members, House Health and Government Operations Committee
The Honorable Joseline Pena-Melnyk

FROM: Danna L. Kauffman
Pamela Metz Kasemeyer
J. Steven Wise
Richard A. Tabuteau

DATE: February 20, 2020

RE: **SUPPORT** – House Bill 196 – *Maryland Health Benefit Exchange – Establishment of a State-Based Health Insurance Subsidies Program*

On behalf of the Maryland State Medical Society (MedChi), we submit this letter of **support** for House Bill 196. House Bill 196 will require the Maryland Health Benefit Exchange (MHBE) to establish and implement a State-based Health Insurance Subsidies Program (Program), after it is determined whether establishment of the Program will require a federal Section 1332 Waiver. The Program will be funded by the health insurance provider fee assessment. Subsidies will be made available after MHBE adopts regulations (by January 1, 2021) to implement the Program, which must establish eligibility and payment parameters for calendar 2021 and each subsequent calendar year.

The purpose of the Program is to reduce the amount that individuals pay for health benefit plans in the individual health insurance market. Throughout the last few years, the General Assembly, through the Maryland Health Insurance Coverage Protection Commission, has recommended steps to decrease premium costs and increase access to products under the individual health insurance market, including the recently developed State Reinsurance Program funded through the health insurance provider fee assessment. House Bill 196 and the development of the Program will continue these efforts and ensure that individuals continue to have access to plans.

For more information call:

Danna L. Kauffman
Pamela Metz Kasemeyer
J. Steven Wise
Richard A. Tabuteau
410-244-7000