

February 15, 2022

Delegate Shane E. Pendergrass
Chair, House Health & Government Operations Committee
Maryland House of Delegates
6 Bladen Street
Annapolis, MD 21401

RE: HB0709 – Maryland Health Benefit Exchange – Small Business and Nonprofit Health Insurance Subsidies Program

Position: **FAVORABLE**

Dear Chair Pendergrass, Vice Chair Pena-Melnyk, and Members of the Committee:

On behalf of our 700-member businesses of which the majority are small businesses in Wicomico County, this statement is in **Favor of HB0709 – Maryland Health Benefit Exchange – Small Business and Nonprofit Health Insurance Subsidies Program.**

HB0709 would invest \$45 million a year into a five-year state subsidy program for small businesses and nonprofits with fewer than 25 full-time employees. This program would provide subsidies to qualified employers and their employees for their health coverage through Maryland Health Connection, plus \$3 million/year for outreach to notify small employers about the new program. The program should be funded by available federal funding.

Although the Maryland Health Exchange provides funding for several good programs including the Medical Assistance Program, Senior Prescription Drug Assistance Program and the State-Based Young Adult Health Insurance Subsidies Pilot Program, there currently is no funding for the Small Business and Nonprofit Health Insurance Subsidies Program. Yet, there is clearly a major need to assist small businesses in providing health insurance assistance to their employees, the ongoing pandemic has made this need even more critical.

Currently, only 37% of small employers in the State of Maryland offer health insurance to their employee's vs 95% of larger employers. HB0709 is a critical Bill that would go a long way into providing a solution to the issues facing small business owners when it comes to providing some form of affordable group health plan for their employees.

Please note that we recommend that an amendment be added to the legislation that would add a five (5) year sunset provision on the bill, so everyone can know what the landscape would look like after the subsidy ends, and companies can make future investment decisions, or conversely, the General Assembly could vote to extend the subsidy payment.

We urge you to vote FAVORABLE for HB0709 and help to grow our small business community.

Sincerely

William R. Chambers

President/CEO – Salisbury Area Chamber of Commerce

cc: Delegate Robbyn Lewis, Sponsor, HB0709
Delegate Brooke E. Lierman, Sponsor, HB0709
Delegate Karen Lewis Young, Sponsor, HB0709
Senator Katie Fry Hester, Sponsor, SB0632
Senator Brian J. Feldman, Sponsor, SB0632
Senator Joanne C. Benson, Sponsor, SB0632
Members of the House Health & Government Operations Committee

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