



Unitarian Universalist Legislative Ministry of Maryland

Testimony in Support of HB 709 Maryland Health Benefit Exchange - Small Business and Nonprofit Health Insurance Subsidies Program

To: Delegate Shane Pendergrass and the members of the Health and Government Operations Committee

From: Betty Garvie Crowley and Christine Hager, PhD, Lead Advocates,
Healthcare Reform, Unitarian Universalist Legislative Ministry of Maryland

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We are representing the Unitarian Universalist Legislative Ministry of Maryland (UULM-MD) which is an advocacy organization, with members in 23 UU Congregations throughout the state. Since its founding in 2005, health care issues have been one of our priorities and we are a member of the Health Care for All Coalition. Part of the provisions of this legislation is a policy we began supporting as a priority issue in 2020.

This bill would extend health care coverage by investing \$45 million/year into a five-year state subsidy program for small businesses and nonprofits with fewer than 25 full-time equivalent employees. The bill would offer employees 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 through available federal funding.

HB 709 is important to UULM-MD as it addresses the impacts of anti-racism/anti-oppression policies which have historically affected marginalized communities and people of color. In Maryland, small businesses and small nonprofits are less likely to offer health coverage than large employers. Only 37% of small employers offer health coverage to their employees compared to 95% of large employers in Maryland.¹ In addition, small businesses are more likely than large businesses to be owned by people of color.²

Even though many small nonprofits work to address the needs of people of color and marginalized communities. Health inequities by race and ethnicity were made more apparent by the COVID-19 pandemic. Providing better opportunities for small businesses and nonprofits to provide health coverage will improve health equity. Plus, health coverage helps make employment opportunities more attractive to job seekers which is important in the current economic climate.

1 Agency for Health Quality and Research. Table II.A.2 Percent of private-sector establishments that offer health insurance by firm size and State: United States, 2020. https://meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/state/series_2/2020/tia2.pdf (Accessed November 23, 2021)

2 Mirabella, L. The Baltimore Sun. "Maryland ranks No. 1 in U.S. for Minority and women businesses ownership, study finds." April 18, 2018.

<https://www.baltimoresun.com/business/bs-bz-minority-owned-business-maryland-20180418-story.htm>

The provisions of the Small Business and Nonprofit Health Insurance Subsidies Bill enable small employers who are having difficulty in providing coverage health insurance for their employees are crucial to overcoming inequities. Under HB 709, eligible small businesses would receive up to two years of federal tax credits to help them purchase health coverage at Maryland Health Connection.

More small employers would be able to offer additional options for quality, affordable health coverage through Maryland Health Connection to their employees if HB 709 is enacted. This legislation would help Maryland move closer to achieving health equity in health coverage access and help small businesses in MD attract employees, keep the workforce healthy and reduce the uninsured rates.

We urge a favorable report of HB 709. Thank you.

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