



## TESTIMONY FOR HB0953

### Maryland Health Benefit Exchange - State-Based Young Adult Health Insurance Subsidies Pilot Program - Amount of Annual Subsidies

**Bill Sponsors:** Delegate Pena-Melnyk

**Committee:** Health and Government Operations

**Organization Submitting:** Maryland Legislative Coalition

**Person Submitting:** Aileen Alex, co-chair

**Position:** FAVORABLE

I am submitting this testimony in favor of HB0953 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists, and our Coalition supports well over 30,000 members.

The price for health care services and medications is outrageously high. Without having basic health care, people of any age avoid seeing a doctor except in emergencies, which are frequently more costly to treat. Such treatments can lead to bankruptcies, something a young adult shouldn't have to face!

Chipping away at the injustice in our healthcare system is the Maryland Health Benefit Exchange (MHBE) State-Based Young Adult Health Insurance Subsidies Pilot Program. For calendar 2024, young adults ages 18 to 37 with incomes up to 400% of the federal poverty level are eligible for state premium assistance subsidies. Subsidies are allocated to reduce the maximum expected premium contribution of individuals ages 18 to 33 by 2.5% each year and individuals ages 34 to 38 by 0.5% each year.

HB0953 simply allows unspent funds designated for these subsidies in a previous calendar year to be included in subsidies for subsequent calendar years. According to the fiscal note, approximately \$12.9 million would be available from calendar 2022 and 2023 to provide subsidies in calendar 2024 and 2025. However, there is no net increase in spending above the initial allocation to the pilot program.

This bill is help would help young adults get the health care they need and while establishing a lifelong practice of properly investing in their health though insurance programs. These benefits can be achieved without an increase in spending.

We support this bill and recommend a **FAVORABLE** report in committee.