



**TESTIMONY IN FAVOR OF SENATE BILL 701**

Before the Senate Finance Committee

By Stephanie Klapper, Deputy Director, Maryland Health Care for All! Coalition

February 21, 2024

Chair Beidle, Vice-Chair Klausmeier, and Members of the Committee, thank you for this opportunity to testify in support of Senate Bill 701. We especially thank Chair Beidle for sponsoring this legislation which would make a technical correction to the Young Adult Health Coverage Subsidy Program to allow any unspent funds designated for prior years of the program to be rolled forward and used for subsidies in future calendar years.

I am testifying on behalf of the [Maryland Health Care for All! Coalition](#) which is made up of over 400 faith, business, labor, community, and health care organizations across the state, and our mission is quality, affordable health care for all Marylanders. Under your leadership we have made great gains in Maryland. Over 400,000 Marylanders have enrolled in health coverage since the passage of the Affordable Care Act, cutting Maryland's uninsured rate in half. We could not have achieved this without innovative programs that your Committee has passed like the Easy Enrollment program and more recently the Young Adult Health Coverage Subsidy pilot program.

Young adults are the age group most likely to be uninsured, and this program has made great strides in helping them gain coverage. According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. MHBE's new enrollees comprised of young adults increased from 4% to more than 24%. Young adults were more likely to pay their premiums and continue coverage. Many young adults who have benefited under this program have been able to access health coverage through Maryland Health Connection for the first time, while others already had coverage and were better able to afford their plans or upgrade to higher metal-level plans with lower cost-sharing.

This program has also been reducing racial and ethnic disparities within this age group. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023 Latino young adult enrollment grew 13%, more than any other population. This program is improving health equity in our state.

The subsidies program also is a good use of state dollars, as plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible. Making coverage for young adults more affordable also helps to stabilize premiums within the market as a whole by bringing more healthy people into the market.

In 2023 Medicaid redeterminations resumed with the end of the federal public health emergency, which made this program even more important so that young adults unwinding from Medicaid could purchase affordable health coverage on the Exchange instead of having a gap in coverage. Young adult enrollments in private plans through July 2023 topped 51,000, and Medicaid redeterminations are still continuing. Thanks to your leadership, this program has been very successful in helping young adults obtain quality, affordable health coverage and this technical amendment is now needed. I urge a favorable report for SB 701.

Maryland Health Care for All! Coalition

