

March 27, 2025

**Testimony on House Bill 1082**  
**Health Insurance - Individual Market Stabilization - Establishment of the**  
**State-Based Health Insurance Subsidies Program**  
**Senate Finance Committee**

**Position: Favorable**

Maryland Nonprofits is a statewide association of nonprofit organizations and institutions of all sizes serving Marylanders and communities across the entire state. The health care coverage of many of the Maryland families that nonprofits serve could be put at serious risk by cutbacks or elimination of federal Affordable Care Act tax credits or subsidies by the current federal Administration.

House Bill 1082 would temporarily authorize the use of state funds from the 1% health insurance provider assessment collected under the Reinsurance fund, for the Maryland Health Benefit Exchange (MHBE) in consultation with the Maryland Insurance Administration (MIA) to establish and operate a broader state-based individual market health insurance subsidies program in calendar year 2026 in order to mitigate the impact of the expiration of enhanced federal marketplace tax credits in the individual market.

Establishing a state-based program as proposed under this bill is contingent on the enhanced tax credits expiring at the end of 2025 or being significantly reduced in generosity. MHBE is Maryland's state-designated health insurance marketplace, established in 2011 in accordance with the Federal Patient Protection and Affordable Care Act (ACA) to improve the health and well-being of Marylanders by connecting them with high-quality, affordable health coverage.

Those who do not have access to affordable employer-sponsored insurance (ESI) or government-sponsored insurance can get coverage through Maryland Health Connection (MHC), and most consumers are eligible for financial assistance in the form of Advance Premium Tax Credits (APTCs) to reduce monthly premiums. Around 80% of MHC private plan enrollees are enrolled with financial help.

**To avoid the potential loss of coverage for so many Marylanders, we urge you to give House Bill 1082 a Favorable Report.**