



## TESTIMONY TO THE SENATE FINANCE COMMITTEE

### **SB 5: Maryland Health Benefit Exchange- State-Based Young Adult Health Insurance Subsidies Pilot Program- Sunset Repeal**

**POSITION: Support**

**BY: Linda Kohn, President**

**DATE: January 29, 2025**

**The League of Women Voters Maryland supports Senate Bill 5**, which would remove the sunset and allow the Young Adult Health Insurance Subsidies Program to continue past 2025.

**The League believes that every Maryland resident should have access to affordable, equitable, quality health care.** But without health insurance coverage, patients can be unable to access the services they need, relying instead on overburdened hospital Emergency Departments for non-emergency care. This can lead to potentially unmanageable medical debt for the patient, increased uncompensated care costs for hospitals, and, ultimately, increased cost of medical care for everyone. **Expanding access to affordable health insurance is crucial, to enable all Marylanders to get the care they need.**

**Young adults are the age group least likely to have health insurance coverage in the U.S., with the cost of coverage the biggest barrier.** Offering young adults financial assistance to help pay health insurance premiums is a proven, cost-effective method of ensuring their access to health care.

In 2021, the Maryland legislature created a pilot program to provide premium subsidies to eligible low-income young adults, giving them the financial means to purchase health insurance on the Maryland Health Benefit Exchange. The program has been very successful. Over 56,000 young adults<sup>1</sup> received subsidies in 2024. The pilot program also increased health equity and reduced racial and ethnic health disparities within this age group, as young adult subsidy recipients were more likely to be Hispanic or Black than those ineligible for the subsidy.

Helping more young adults to enroll in and keep health care coverage benefits all Marylanders, as having more young, healthy people in the market helps stabilize premiums for everyone. Continuing this program is a cost-effective way to help ensure that our healthcare system is equitable and works for all. **For that reason, the League and its 1,500+ members urge the committee to give a favorable report to Senate Bill 5.**

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<sup>1</sup> <https://www.marylandhbe.com/wp-content/uploads/2024/11/Maryland-Health-Benefit-Exchange-Annual-Report-2024.pdf>