



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
4000 Garden City Drive
Hyattsville, Maryland 20785

February 26, 2026

The Honorable Heather Bagnall
Health and Government Operations Committee
House Office Building Room 240
6 Bladen Street
Annapolis, Maryland 21401

RE: Opposition to House Bill 1068 – Health Insurance – Special Enrollment Period for Newly Hired Employees of Small Businesses

Dear Chair Bagnall and Members of the Committee:

On behalf of Kaiser Permanente, I am writing to express our opposition to House Bill 1068. Kaiser Permanente is committed to expanding access to high-quality health care for all Marylanders, including those employed by our state's vital small business community. However, we believe that HB 1068 is unnecessary because it is duplicative of existing Special Enrollment Periods (SEPs) already available under state and federal law.

The primary intent of HB 1068 is to create a 60-day special enrollment window for individuals who start a new job at a small business that does not offer health benefits. Under current Maryland Health Benefit Exchange (MHBE) regulations and federal Affordable Care Act (ACA) guidelines, these individuals are already protected:

- **Loss of Minimum Essential Coverage:** Most individuals transitioning to a new job are doing so after leaving a previous position where they had health coverage. The "Loss of Minimum Essential Coverage" qualifying life event already provides a 60-day window to enroll in an individual market plan.
- **Existing Low-Income SEPs:** For many employees of small businesses that do not offer coverage, Maryland already provides year-round enrollment opportunities for those who qualify for Medicaid or those within certain income thresholds (up to 200% of the Federal Poverty Level) through Maryland Health Connection.
- **Easy Enrollment Programs:** Maryland is a national leader in "Easy Enrollment" through tax filings and unemployment applications, which further reduces the need for niche, event-specific enrollment periods that may cause consumer confusion.

Introducing a new, specific SEP for "employment by a small employer" creates administrative complexity for carriers and the Exchange. This bill would require carriers and the Exchange to develop new systems to verify not only the start date of employment but also the size of the employer and the specific lack of a health benefit offer.

Rather than creating a new legal category, the state's resources are better spent educating new employees about the robust SEPs that already exist. Adding overlapping layers to the Insurance Article can lead to consumer confusion regarding which SEP applies to their specific situation.

Kaiser Permanente
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For these reasons, we respectfully request an unfavorable report on HB 1068.

Thank you for the opportunity to comment. Please feel free to contact me at Allison.W.Taylor@kp.org or (919) 818-3285 with questions.

Sincerely,

A handwritten signature in cursive script that reads "Allison Taylor".

Allison Taylor
Head of Government Relations
Kaiser Permanente Mid-Atlantic Region