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THE MARYLAND HOUSE OF DELEGATES
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**HB 1068 - Health Insurance – Special Enrollment Period for Newly Hired
Employees of Small Businesses**
February 26, 2026

House Health Committee

Chair Bagnall, Vice Chair Cullison, and colleagues,

Thank you for your consideration of House Bill (HB) 1068 – Health Insurance - Special Enrollment Period for Newly Hired Employees of Small Businesses. HB 1068 creates a 60-day Special Health Care Enrollment Period, to allow newly hired employees of small businesses without employer-sponsored coverage to enroll in health insurance immediately, rather than waiting months for the next open enrollment period.

What the Bill Does:

A carrier participating in the Maryland Health Connection (also called the Individual Exchange) shall:

- Provide a special enrollment period for an employee who purchases coverage through the Individual Exchange because they were hired by a small employer that does not offer an employer-sponsored health benefit plan. The special enrollment period will be 60 days and begin on the first day of employment.
- Provide a special enrollment period for an employee who purchases coverage outside the Individual Exchange because they were hired by a small employer that does not offer an employer-sponsored health plan. The special enrollment period will be 60 days and begin on the first day of employment.
- If the individual enrolls for coverage or enrolls a dependent for coverage during a special enrollment period, the coverage shall become effective on the first day of the month following the date of plan selection.

Background and Rationale:

The Maryland Health Benefit Exchange (MHBE) is the state-designated health insurance marketplace and administrators of the Maryland Health Connection (MHC), the marketplace

enrollment platform where Marylanders can shop for, compare, and purchase health insurance plans, and determine eligibility for potential public assistance.

However, in the state of Maryland, over 237,000 individuals eligible to enroll through Maryland Health Connection continue to lack coverage, including approximately 161,000 eligible for Medicaid or federal financial assistance.¹ Additionally, small businesses, defined in Maryland as a business with 50 or less employees,² offer health insurance to their employees at low rates, especially businesses with 10 or fewer employees. In 2024 around 35% of Maryland employees at organizations in the private sector with **ten employees or less** reported being offered employer-sponsored health insurance in 2024, compared to 67.5% of employees at organizations with between 10 to 24 people, and 96% at organizations with 50 or more people during the same year.³

Under current law, if a newly hired employee hasn't experienced a life event (baby, divorce, change in health insurance) within 60 days of being hired, they must wait until the next open enrollment period to obtain coverage. That means someone starting a new job—often seeking stability and opportunity—can still be left without access to health care. This bill corrects that gap by creating a 60-day Special Enrollment Period for *all* employees of small businesses that do not offer employer-sponsored coverage, ensuring thousands of Maryland workers can access health care when they begin their new employment, not months later when it may be too late. This bill ensures that small business employees are both educated about their health insurance coverage options and can enroll in individual coverage without needing to wait until the beginning of the next year.

This bill not only supports efforts to decrease the overall uninsured rate in Maryland, but also allows small business that do not provide health insurance to attract and retain employees, who may otherwise not work at the small business due to the lack of health insurance coverage. HB 1068 provides a simple, but important way to support small businesses that are struggling to compete in today's tough economic climate. This legislation offers a practical step forward by creating a more level playing field and will make a meaningful difference for entrepreneurs operating on tight margins.

Thank you for your consideration and I urge a favorable report on HB 1068.

¹ Kaiser Family Foundation: [Distribution of Eligibility for ACA Health Coverage Among the Remaining Uninsured](#) (2023).

² MD Code Ann., Ins. Art. §31-101(aa).

³ Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends: 2024 Medical Expenditure Panel Survey - Insurance Component. . Retrieved from <https://datatools.ahrq.gov/meps-ic/?tab=private-sector-state&dash=28>