Department of Legislative Services

Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1316 (Delegate Ruth, *et al.*)
Health

Public Health - Universal Health Care Program - Study and Commission

This bill requires the Hilltop Institute at the University of Maryland, Baltimore County to conduct a study on the feasibility of establishing a State universal health care program through a single-payer system. The bill also establishes an Advisory Commission on Universal Health Care to assist Hilltop in the development of recommendations. Hilltop must provide staff for the commission and submit an interim report by June 1, 2028, to the advisory commission for collaborative discussions, feedback, and the development of final recommendations. By June 1, 2029, Hilltop and the advisory commission must jointly submit a final report to the Governor and specified committees of the General Assembly. The bill is contingent on Hilltop receiving specified funding through grants or private donations to conduct the study. **The bill takes effect June 1, 2026, and terminates December 31, 2029, subject to a specified contingency.**

Fiscal Summary

State Effect: No likely effect in FY 2026. To the extent Hilltop secures specified funding to conduct the study, higher education revenues and expenditures increase by an indeterminate but likely significant amount in FY 2027 through 2029, as discussed below.

Local Effect: Representatives of counties and municipalities can serve on the advisory commission using existing budgeted resources. Revenues are not affected.

Small Business Effect: None.

Analysis

Bill Summary:

Study on the Feasibility of Establishing a Universal Health Care Program in Maryland

The study must evaluate establishing a single-payer health care system that would provide the following to all individuals in the State: (1) comprehensive, affordable, and high-quality publicly financed health care coverage, as specified; (2) a benefit package covering primary care, preventive care, chronic care, acute episodic care, reproductive care, hospital services, and behavioral health services, as specified; (3) at a minimum, the 10 essential health benefits described under the federal Patient Protection and Affordable Care Act (ACA) and the benefits required to be included under Maryland Health Connection plans; and (4) the required benefits under Maryland Medicaid and Medicare.

In conducting the study, Hilltop must (1) review plans, analyses, programs, and legislation in other states regarding single-payer health care; (2) analyze and develop cost projections for providing and administering specified benefits and the collateral costs of operating a single-payer health care system, including the amounts and mechanisms necessary to finance the system; (3) consider how a universal health care program could improve health outcomes, improve health care equity, reduce health care disparities, and increase health care access; and (4) examine and make recommendations on:

- fully integrating or aligning the Maryland Medicaid Program, Medicare, private insurance, and the provision of health care benefits to State, county, and municipal employees into or within a universal health care program;
- transitioning the State's Advancing All-Payer Health Equity Approaches and Development (AHEAD) Model to a single-payer health care model;
- transitioning workers displaced by changes to the health care system;
- creating an operating structure for a single-payer health care system;
- containing costs by reducing unnecessary administrative expenses; and
- whether a single-payer health care system should include dental, vision, hearing, and long-term care benefits.

Advisory Commission on Universal Health Care

The bill establishes that the members of the advisory commission may not be appointed or designated before January 1, 2028, at which time it will comprise 30 members, specifically:

- one member of the Senate of Maryland;
- one member of the House of Delegates;

- the Secretary of Health, the Secretary of Budget and Management, the Secretary of Commerce, the Secretary of Labor, and the Secretary of Social and Economic Mobility (or their designees);
- the Special Secretary of Small, Minority, and Women Business Affairs (or their designee);
- two representatives of public-sector labor unions;
- two representatives of private-sector labor unions; and
- 18 members appointed by the Governor, including representatives of local government, business, health care, social support services, and other stakeholders.

A member of the commission may not receive compensation but is entitled to reimbursement for expenses, as provided in the State budget.

Contingency

The bill is contingent on Hilltop receiving commitments for, or sufficient funding through, grants or private donations to conduct the study to determine the feasibility of establishing a universal health care program in the State. Within five days after determining that sufficient funding has been committed or received, Hilltop must notify the Department of Legislative Services (DLS). If DLS receives notice by December 31, 2026, the bill takes effect on the date notice is received. If DLS does not receive notice by December 31, 2026, the bill terminates.

Current Law: The State provides comprehensive health care coverage through Medicaid and the Maryland Children's Health Program (MCHP) to eligible individuals. The State also provides comprehensive health care coverage to State employees, retirees, and their dependents through the State Employee and Retiree Health and Welfare Benefits Program.

Medicaid and the Maryland Children's Health Program

Medicaid generally covers children, pregnant women, elderly or disabled individuals, low-income parents, and childless adults. To qualify for Medicaid, applicants must pass certain income and asset tests. Effective January 1, 2014, Medicaid coverage was expanded to persons with household incomes up to 138% of federal poverty guidelines, as authorized under the ACA. MCHP is Maryland's name for medical assistance for low-income children. MCHP provides all the same services as Medicaid.

The Federal Patient Protection and Affordable Care Act

The ACA requires nongrandfathered health plans to cover 10 essential health benefits, which include items and services in the following categories: (1) ambulatory patient services; (2) emergency services; (3) hospitalization; (4) maternity and newborn care; (5) mental health and substance use disorder services, including behavioral health

treatment; (6) prescription drugs; (7) rehabilitative and habilitative services and devices; (8) laboratory services; (9) preventive and wellness services and chronic disease management; and (10) pediatric services, including dental and vision care.

Under § 31-116 of the Maryland Insurance Article, EHBs must be included in the State benchmark plan and, not withstanding any other benefits mandated by State law, must be the benefits required in (1) all individual health benefit plans and health benefit plans offered to small employers (except for grandfathered health plans) offered outside the Maryland Health Benefit Exchange (MHBE) and (2) all qualified health plans offered in MHBE, including plans offered through Maryland Health Connection.

State Fiscal Effect: The bill is contingent on Hilltop receiving commitments for, or sufficient funding through, grants or private donations to conduct the required study. If DLS receives notice from Hilltop that funding has been secured by December 31, 2026, the bill takes effect on the date notice is received. If such notice is not received by that date, the bill is null and void.

Thus, to the extent Hilltop secures funding and notifies DLS by December 31, 2026, University System of Maryland (USM) higher education revenues increase (in one or more fiscal years – from 2027 through 2029 depending on the funding identified). USM higher education expenditures increase accordingly in fiscal 2027 through 2029 to conduct the required study, provide staff to the advisory commission, and prepare the required reports. Hilltop estimates the total cost of the bill to be approximately $955,000, including at least 2.5 full-time equivalent employees and contractual actuarial services.

This analysis assumes that any impacted State agencies can participate on the advisory commission using existing budgeted resources.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 417 of 2025, HB 619 of 2024, and HB 329 of 2023.
Designated Cross File: None.

Information Source(s): Maryland Municipal League; Department of Social and Economic Mobility; Department of Commerce; University System of Maryland; Department of Budget and Management; Maryland Department of Health; Maryland Department of Labor; Maryland Insurance Administration; Department of Legislative Services

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