



Mid-Atlantic Permanente Medical Group, P.C.
Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
2101 East Jefferson Street
Rockville, Maryland 20852

February 12, 2020

The Honorable Delores G. Kelley
Senate Finance Committee
3 East, Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

RE: SB 183 – Oppose

Dear Chair Kelley and Members of the Committee:

Kaiser Permanente appreciates the opportunity to comment on SB 183, Health Insurance - Health Benefit Plans - Special Enrollment Period for Pregnancy. KP respectfully opposes SB 183 for the reasons described below.

Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.¹ Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for approximately 755,000 members. In Maryland, we deliver care to over 430,000 members.

SB 183 concerns Maryland's special enrollment period for pregnancy in the individual and small group markets. It permits an eligible employee or individual to purchase coverage, if the employee or individual attests to being pregnant. It removes a requirement that the pregnancy be confirmed by a health care practitioner and that the 90-day enrollment period begin on the date of that confirmation.

Kaiser Permanente remains concerned that Maryland's special enrollment period for pregnancy will have a destabilizing effect on the individual and small group markets and drive up costs. Rather than encouraging broad participation during the open enrollment period, special enrollment periods for pregnancy allow individuals to enroll in a plan anytime during pregnancy and receive comprehensive medical benefits. These policies destabilize the risk pool by allowing individuals to enroll in a health plan when they need significant medical care and hospitalization, undermining critical policies that support market stability and leading to increased premiums.

¹ Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation's largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente's members.

Kaiser Permanente
Comments on Senate Bill 183
February 12, 2020

SB 183 eliminates an important operational safeguard in Maryland's special enrollment period for pregnancy – confirmation of the pregnancy by a health care practitioner. In most situations that trigger a special enrollment period, we require documentation of the triggering event (e.g., documents that confirm a marriage, adoption or move). An individual's attestation does not provide the same kind of protection against fraud as traditional documentation. Additionally, SB 183 essentially eliminates the limited duration that we think is required of a special enrollment period. An individual's 90-day open enrollment period begins not upon a triggering event, but upon the date the individual attests to an event. This policy change exacerbates the likelihood of premium increases to account for the risks being presented.

Affordable Care Act policies support a stable risk pool. These include a robust open enrollment period designed to provide a period of open access into any health plan of an individual's choice, while protecting against individuals waiting to enroll when they need expensive health care services. Special enrollment periods were designed to allow individuals to enroll outside of this annual open enrollment period, but only for narrow, qualifying events in a person's life, and with key safeguards in place. Kaiser Permanente is concerned that SB 183, by removing these safeguards, will further destabilize the market and provide disincentives for individuals to enroll during open enrollment.

Thank you for the opportunity to comment. Please feel free to contact Wayne Wilson at Wayne.D.Wilson@kp.org or (301) 816-5991 with questions.

Sincerely,

Wayne D. Wilson
Vice President, Government Programs and External Relations
Kaiser Foundation Health Plan of Mid-Atlantic States, Inc.