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Health and Government Operations Committee

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Chair, Insurance and Pharmaceuticals
Subcommittee

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Testimony in Support of HB 0583 State Procurement – Payment of Employee Health Care Expenses -- Revisions

Good afternoon, Chairman Pendergrass, Vice Chairman Peña-Melnyk and honorable members of the committee. Thank you for this opportunity to present HB 0583 **State Procurement** – **Payment of Employee Health Care Expenses -- Revisions.** This bill extends the requirement for providing health care coverage for subcontracted employees for those businesses with state projects above \$500,000, to the Maryland Stadium Authority and the University System of Maryland. It also adds the requirement for coverage for subcontractors who enter the project after its beginning and whose role may be offsite.

The Maryland General Assembly has made a commitment to making health care accessible to and affordable for all our residents. In that spirit, last year the General Assembly passed HB0680/SB0686, which required that any entity which procured a \$500,000 state project to pay a percentage of health care expenses for subcontract workers. This year we are expanding that requirement to two entities which are currently exempted. These two entities are deeply involved in state projects: the Maryland Stadium Authority is currently managing 14 of them. Looking at draft master plans for the University Systems, it would appear that all the campuses have been and will be increasing their infrastructure. Given the commitment that we made last year, it seems only right to include those who work for two of the major users of state procurement.

The HB 0583 requirement serves an important function to MD residents by leveraging tax dollars to support/promote contractors that provide healthcare to their employees. It helps keep MD's construction workers that participate in these large entities firmly in the middle class and creates healthcare security for their families, while likely reducing the uncompensated care population or those who may become part of the Medicaid rolls.

I thank you for your consideration and respectfully request a favorable report for HB 0583.