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Appropriations Committee

Subcommittees

Capital Budget

Chair, Transportation and the
Environment

Oversight Committee on Personnel



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THE MARYLAND HOUSE OF DELEGATES
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Independent Agency Health Insurance Option Act (HB 379)
Testimony of Delegate Marc Korman—Favorable with Amendments

Thank you Mr. Chair, Mr. Vice Chair and members of the Budget and Taxation Committee. I come before you today to discuss the **Independent Agency Health Insurance Option Act (HB 379)**. The legislation allows certain quasi-governmental agencies not already covered to buy-in to the state's health insurance program. I learned about this issue while serving as a Speaker-appointed to the Governor's State Transparency and Accountability Reform (STAR) Commission, chaired by former Appropriations Committee member Andy Serafini.

The bill before you is the crossfile of SB 417, which this committee passed favorably. The bill that passed the House allows the Maryland Clean Energy Center (MCEC), the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) and the Bainbridge Development Corporation (BDC) to opt in to the state's health insurance system if the Department of Budget and Management confirms that this is permissible under federal law. Bainbridge was removed from SB 417 given that it does not receive state funds and does not have a mission that broadly serves the state as MCEC and MARBIDCO do. The Senate version also added reporting requirements on other quasi-State entities participation in the benefits program. I agree with the committee's changes and ask that you conform HB 379 with SB 417.

As you know, there is no net cost to the state through this bill, as the employer costs are covered by the agencies. There are currently other quasi-government agencies that have the option to opt-in to the state plan for their employees. The Independent Agency Health Insurance Option Act simply extends that option to MCEC and MARBIDCO.

MCEC and MARBIDCO are each valuable agencies and we must allow them to compete in attracting the best talent to work for the benefit our state by allowing their employees access to the state health insurance program. I urge a favorable report.

