



OUR MISSION:

Working to enhance the economic prosperity of greater Silver Spring through robust promotion of our member businesses and unrelenting advocacy on their behalf.

**SB632 – Maryland Health Benefit Exchange –
Small Business and Nonprofit Health Insurance Subsidies Program
Finance Committee
March 2, 2022
FAVORABLE WITH AMENDMENTS**

On behalf of the Greater Silver Spring Chamber of Commerce, representing 400 member organizations, including very small businesses with fewer than ten employees and several nonprofits, in the greater Silver Spring area of Montgomery County, I write to express our support for SB632 – Maryland Health Benefit Exchange – Small Business and Nonprofit Health Insurance Subsidies Program.

Our small business members and nonprofits have long understood the value of providing health insurance coverage for their employees. Even before they faced the financial challenges of the pandemic for the past two years, many wanted to provide this benefit but were simply unable to bear the cost. While larger employers are able to take advantage of favorable pricing, small businesses face higher and unaffordable costs per employee.

SB632 can change that. This bill would go a long way to providing a solution that will allow small business owners to provide some form of affordable group health coverage for their employees.

By authorizing an investment of \$45 million a year, funded through available federal dollars, into a five-year state subsidy program, this bill would allow qualified small businesses and nonprofits with fewer than 25 full-time employees to obtain health coverage through Maryland Health Connection.

We recognize that under the Affordable Care Act, eligible small employers can receive up to two years of federal tax credits to help purchase health coverage at Maryland Health Connection. However, few small employers use the program because they don't know about it. The \$3 million per year for outreach will help to assure that small employers are aware of the new program.

Although the Maryland Health Exchange provides funding for several good programs including the Medical Assistance Program, Senior Prescription Drug Assistance Program, and the State-Based Young Adult Health Insurance Subsidies Pilot Program, there currently is no funding for the Small Business and Nonprofit Health Insurance Subsidies Program. SB632 is the right bill at the right time.

Because the legislation authorizes the subsidy only through 2028, we do recommend one amendment to the bill. We suggest adding a five-year sunset provision to provide the legislature the opportunity to either extend the subsidy payment or make any other alterations necessary to the program.

For these reasons, the Greater Silver Spring Chamber of Commerce joins other chambers throughout Maryland to respectfully request a **FAVORABLE committee report on SB632.**

Jane Redicker

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