



March 2, 2022

**Senate Bill 632**

**Maryland Health Benefit Exchange - Small Business and  
Nonprofit Health Insurance Subsidies Program**

**Senate Finance Committee**

**Position: FAVORABLE**

Anne Arundel County **SUPPORTS** Senate Bill 632 - Maryland Health Benefit Exchange - Small Business and Nonprofit Health Insurance Subsidies Program. SB 632 would establish a Small Business and Nonprofit Health Insurance Subsidies Program to provide subsidies to small business and nonprofit employers and their employees for the purchase of qualified health benefit plans on the Maryland Health Benefit Exchange. Small businesses and nonprofits with fewer than 25 full-time equivalent employees would be eligible to benefit from these subsidies.

In Maryland, only 37% of small employers offer health coverage to their employees, compared to 95% of large employers.<sup>1</sup> Health coverage makes employment opportunities more attractive to job seekers, which is especially important as small employers continue to recover from the economic impacts of COVID and work to find local employees. Small businesses are also more likely than large businesses to be owned by people of color, and Maryland has the highest rate per-capita of businesses owned by people of color in the nation.<sup>2</sup> Providing these subsidies would help improve health equity by expanding health coverage for small employers and employees.

Providing funding through subsidies to small business and small nonprofits would allow more Marylanders access to quality, affordable health coverage through the Maryland Health Connections, reduce the rate of uninsured and under-insured people in the State, and help ensure that our small employers can attract employees and keep a healthy workforce.

For all of these reasons, Anne Arundel County respectfully requests a **FAVORABLE** report on Senate Bill 632.

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<sup>1</sup> Agency for Health Quality and Research. Table II.A.2 Percent of private-sector establishments that offer health insurance by firm size and State: United States, 2020. [https://meps.ahrq.gov/mepsweb/data\\_stats/summ\\_tables/insr/state/series\\_2/2020/tiia2.pdf](https://meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/state/series_2/2020/tiia2.pdf) (Accessed November 23, 2021)

<sup>2</sup> Mirabella, L. The Baltimore Sun. "Maryland ranks No. 1 in U.S. for Minority and women businesses ownership, study finds." April 18, 2018. <https://www.baltimoresun.com/business/bs-bz-minority-owned-business-maryland-20180418-story.html>