



Mission: To improve public health in Maryland through education and advocacy **Vision:** Healthy Marylanders living in Healthy Communities

SB632 Maryland Health Benefit Exchange – Small Business and Nonprofit Health Insurance Subsidies Program

Hearing Date: March 2, 2022

Committee: Finance

Position: SUPPORT

Chair Kelley and members of the Senate Finance Committee: The Maryland Public Health Association would like to express support for Senate Bill 632-Maryland Health Benefit Exchange - Small Business and Nonprofit Health Insurance Subsidies Program. This bill will increase health insurance coverage in Maryland by making it easier for small businesses in our state to provide coverage to their employees.

Access to affordable health insurance has improved in Maryland thanks your leadership on this issue. The creation of our reinsurance program and subsidies for low-income young adults have helped Maryland build on the Affordable Care Act, cut the rate of uninsured in our state in half¹ and resulted in a record number of insured individuals in the Maryland Health Connection.²

The next best step our state can take right now is to help small businesses. Small businesses have been hurt by the pandemic and are less likely to provide health care benefits than large companies.³ Health care coverage helps make employment opportunities more attractive to job seekers and will contribute to the state's public health goals. Like the subsidies for individuals and reinsurance, this bill will build on the Affordable Care Act's program for small businesses to provide additional subsidies and support.

Small businesses are more likely than large businesses to be owned by people of color⁴ and Maryland has the highest rate per-capita of businesses owned by people of color in the nation.⁵ There are also profound health inequities by race and ethnicity made apparent by the COVID-19 pandemic. Providing better opportunities for small businesses and nonprofits to provide health coverage will improve health equity. We ask your favorable report for SB 632.

The Maryland Public Health Association (MdPHA) is a nonprofit, statewide organization of public health professionals dedicated to improving the lives of all Marylanders through education, advocacy, and collaboration. We support public policies consistent with our vision of healthy Marylanders living in healthy, equitable, communities. MdPHA is the state affiliate of the American Public Health Association, a nearly 145-year-old professional organization dedicated to improving population health and reducing the health disparities that plague our state and our nation.

Maryland Public Health Association (MdPHA)

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¹ US Census Bureau (DEC 2019) Rate uninsured. Retrieved Feb 14 2022 from: <https://content.govdelivery.com/accounts/MDHC/bulletins/271e3ba>

² Maryland Health Benefit Exchange (JAN 2022) Press Release. Retrieved Feb 14 2022 from: https://www.marylandhbe.com/wp-content/uploads/2022/01/feb_-28-OF-Extension-Press-Release.pdf

³ 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. Retrieved Feb 14 from: <https://www.kff.org/other/state-indicator/firms-offering-coverage-by-size/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

⁴ Kelly, D. Majbouri, M. & Randolph, A. (May 2021) Black women are more likely to start a businesses than white men. Harvard Business Review. Retrieved Feb 14, 2022 from: <https://hbr.org/2021/05/black-women-are-more-likely-to-start-a-business-than-white-men>

⁵ Mirabella, L. (2018) Maryland ranks no. 1 in US for minority and women businesses ownership. Retrieved Feb 14 from: <https://www.baltimoresun.com/business/bs-bz-minority-owned-business-maryland-20180418-story.html>