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SB 632

March 31st, 2022

TO: Members of the House Health and Government Operations Committee

FROM: Natasha Mehu, Director, Office of Government Relations

RE: Senate Bill 632 – Maryland Health Benefit Exchange - Small Business and Nonprofit Health Insurance Subsidies Program - Workgroup

POSITION: SUPPORT

Chair Pendergrass, Vice Chair Peña-Melnyk, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 632.

SB 632 would require the Maryland Health Benefit Exchange to convene a workgroup to study and make recommendations on the establishment of a state-funded subsidy program for small businesses and nonprofits to help them provide health care coverage to their employees.

The Affordable Care Act greatly improved access to and affordability of health insurance for Maryland residents. However, more can be done. Federal tax credits offered to small employers have not been sufficient enough to make coverage affordable and a lack of awareness of the tax credits has limited their use. Past and existing state-run subsidies and pilot programs are helpful but not sufficient to meet the needs. Health care coverage is an important consideration for many when seeking employment and people employed by small businesses should not be left behind.

SB 632 would move Maryland ever closer to reducing health disparities and achieving equitable access to health care coverage for all.

For these reasons, the BCA respectfully requests a **favorable** report on SB 632.