

SB 601_Young Adult Subsidies_Support.pdf

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Position: FAV



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
2101 East Jefferson Street
Rockville, Maryland 20852

March 1, 2023

The Honorable Melony Griffith
Senate Finance Committee
3 East, Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

RE: SB 601 – Support

Dear Chair Griffith and Members of the Committee:

Kaiser Permanente is pleased to support SB 601, Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal.

Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.¹ Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for over 825,000 members. In Maryland, we deliver care to approximately 475,000 members.

Kaiser Permanente supports state-funded subsidy enhancements, like the Young Adult Subsidy Program, because they provide an immediate and direct benefit to consumers. Subsidy enhancements are relatively simple for states to administer through existing tax methodologies and they can be implemented relatively quickly. We appreciate that younger adults have not historically purchased health insurance at the same rate as other age groups and support policies that encourage this group to enter the market. With the end of the public health emergency, we expect a large portion of those who become ineligible for Medicaid to purchase individual coverage. The Young Adult Subsidy Program can help qualifying individuals purchase lower cost coverage as they transition off Medicaid.

Thank you for the opportunity to comment. Please feel free to contact me at Allison.W.Taylor@kp.org or (202) 924-7496 with questions.

Sincerely,

A handwritten signature in cursive script that reads "Allison Taylor".

Allison Taylor
Director of Government Relations
Kaiser Permanente

¹ Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation's largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente's members.

SB601_PGCEX_FAV.pdf

Uploaded by: Andrea Crooms

Position: FAV



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

BILL: Senate Bill 601 - Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

SPONSOR: Senator Feldman

HEARING DATE: March 1, 2023

COMMITTEE: Finance

CONTACT: Intergovernmental Affairs Office, 301-780-8411

POSITION: SUPPORT

The Office of the Prince George's County Executive **SUPPORTS Senate Bill 601 - Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal**, which would make permanent a pilot program to offer insurance subsidies to young adults seeking health care coverage through the Maryland Health Benefit Exchange.

Health insurance coverage is associated with improved access to care, and as a result, lower death rates, greater productivity, and better health outcomes.¹ It also protects against the financial liability of unexpected catastrophic illness or injury. However, without the program continued by **Senate Bill 601**, many young people cannot afford insurance. For example, someone in their 20s with an annual income of \$30,000 would previously owe \$70 per month for health insurance on the exchange – under the program codified by **Senate Bill 601** the cost is reduced to \$1 per month.²

Improving access to health insurance is high priority for Prince George's County. Our adult residents are less likely to have insurance coverage (86.1%) compared to the state of Maryland (91.8%) and the United States overall (87.8%).³ Our lowest

¹ <https://www.aha.org/guidesreports/report-importance-health-coverage>

² <https://www.baltimoresun.com/health/bs-hs-health-exchange-subsidies-for-young-adults-20211028-ez3zqm6bwbbspf1l4cvlot37s4-story.html>

³ American Community Survey, 1-Year, 2021. Retrieved from <https://www.pghealthzone.org/indicators/index/view?indicatorId=8287&localeId=1260>

coverage rates are among adults ages 26-34 (81.7%).⁴ As in the state overall, our lowest rate of coverage is among Hispanic residents, at only 59.1% insured.⁵

If passed, **Senate Bill 601** continues a program with demonstrated success reducing disparities in insurance coverage and improving access to care. In 2022 when the program was enacted, young adults comprised over 24% of new enrollees in the Maryland Health Benefit Exchange, compared to only 4% in 2021.⁶ Recipients of the Young Adult Subsidy were also more likely to be Hispanic (14% vs. 9%), Black/African American (22% vs. 16%), and female (57% vs. 54%) than their peers who were not eligible for the subsidy. Passing **Senate Bill 601** codifies an important step towards improving health equity and ensuring access to care for all.

For the reasons stated above, the Office of the Prince George's County Executive **SUPPORTS Senate Bill 601** and asks for a **FAVORABLE** report.

⁴ Ibid

⁵ Ibid

⁶ MHBE analysis of change in effectuated young adult enrollment comparing January 31, 2022; January 31, 2021, and January 31, 2020. Year-over-year increase in young adult enrollment in 2021 was 0.6%. Retrieved from factsheet "Preliminary Analysis of the Maryland Young Adult Health Insurance Subsidy Pilot Program"

SB0601 - MIA - Support - FINAL.pdf

Uploaded by: Andrew Tress

Position: FAV

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



Maryland
INSURANCE ADMINISTRATION

KATHLEEN A. BIRRANE
Commissioner

TAMMY R. J. LONGAN
Acting Deputy Commissioner

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202
Direct Dial: 410-468-2215 Fax: 410-468-2204
1-800-492-6116 TTY: 1-800-735-2258
www.insurance.maryland.gov

Date: March 1, 2023

Bill # / Title: Senate Bill 601 – Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Committee: Senate Finance Committee

Position: Support

The Maryland Insurance Administration (MIA) appreciates the opportunity to share its support for Senate Bill 601.

Senate Bill 601 repeals the sunset provision for the State–Based Young Adult Health Insurance Subsidies Pilot Program (the “Pilot Program”), making the program permanent under state law. The Pilot Program was designed to reduce the amount young adults pay for health benefit plans offered in the individual market through eligibility for new subsidies, which are targeted to young adults (ages 18-40) who are not directly impacted by the State Reinsurance Program. With the repeal of the sunset, the bill also renames the program to the State–Based Young Adult Health Insurance Subsidies Program (the “Program”).

For context, federal law provides subsidies for individual health benefit plans issued through a marketplace in the form of tax credits. The tax credits are based on a combination of factors, including income. The tax credits were originally available for incomes up to 400% of the federal poverty line (FPL), and are only available for plans purchased through a marketplace, such as the Maryland Health Connection. Even with tax credits, young adult participation in the individual market was less than desired. Because insurance in the individual market is community rated, increasing the number of people with a low likelihood of claims (like young adults) reduces premiums for everyone in the market. Providing additional subsidies in order to further lower premiums was expected to increase the participation of young adults in the individual health insurance market, benefiting all individual market participants. The Pilot Program was intended to last for two years, beginning in January 2022 and terminating in June 2024.

As part of federal relief in light of the Covid-19 pandemic, the American Rescue Plan Act (ARPA) increased and expanded the tax credits available to offset insurance premium in the individual market.¹ The ARPA expanded tax credits have had a significant and independent impact on young adult enrollment in the Maryland individual market. However, year-end 2022 data shows additional incremental positive impact on young adult premiums in the individual marketplace, in addition to the support provided by ARPA, as a result of the Pilot Project. That positive impact is expected to continue to grow over the coming years, with the Program becoming permanent. And, the Program will be instrumental in maintaining young adult participation if ARPA is not extended beyond its current sunset in 2025.

Most significantly in terms of timing, the MIA notes that the Medicaid continuous enrollment provision that was in place during the pandemic ends this year on March 31, 2023. Beginning on April 1, 2023, approximately 22,000 young adults in the State will be dis-enrolled from Medicaid over the course of the next year, and will have to find other options for health insurance coverage. This offers an opportunity for significant additional growth in the individual ACA market. With young adults being considered to be generally healthier than the standard population, an influx of young adults into the individual market could lower the overall morbidity of the pool, and lower premium rates across the board. The MIA believes that the subsidies provided through the proposed Program will be an important tool in enrolling these young adults in the Maryland individual market and successfully transitioning and retaining their participation in the private market.

The MIA supports Senate Bill 601 and its potential to decrease premium rates in the Maryland individual market. Thank you for the opportunity to provide this written testimony in support of Senate Bill 601. The MIA is available to provide additional information and assistance to the Committee.

¹ ARPA expanded and enhanced Affordable Care Act (ACA) marketplace premium subsidies for individuals at every income level. The subsidies already offered through the ACA were increased for individuals with income between 100% and 400% of the FPL, providing for the possibility of zero-dollar premiums for low income individuals (those up to 150% of the FPL). Additionally, ARPA expanded subsidies to individuals with income above 400% of the FPL for the first time, in an effort to encourage individuals buying their insurance outside of the ACA marketplace due to cost, to consider returning to the marketplace.

Testimony In Support of SB 601 Young Adults Insura

Uploaded by: Ashley Egan

Position: FAV



Unitarian Universalist Legislative Ministry of Maryland

Shared Voices for Liberal Religious Values in Maryland

Support for SB 601

Maryland Health Benefit Exchange –
State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal
Senate Finance Committee
March 1, 2023 at 1:00 p.m.

I am Betty McGarvie Crowley from Silver Spring, District 14, representing the Unitarian Universalist Legislative Ministry of Maryland (UULM-MD). We are an advocacy organization, with members in 23 UU congregations throughout the state. Since its founding in 2005, health care issues have been a priority and we are an active member of the Health Care for All Coalition.

UULM-MD supports SB 601, Maryland Health Benefit Exchange –State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal. The pilot program proved successful, needs to continue, and has reduced the numbers of young adults (18-34) not insured. This legislation will continue to provide subsidies to low-income young adults who purchase health coverage through the Maryland Health Exchange. During the pilot program 45,000 young adults utilized these Maryland subsidies to enroll in coverage for health insurance.

SB 601 is an incentive for a population who has the lowest rate of access to employer-based insurance because they often have entry level, part-time, or jobs with small employers which often do not have this benefit. Federal data indicates almost three out of every ten young adults do not have health insurance causing them to not get essential services, pay more for the services, use high-cost emergency rooms, and/or go into debt when they have an unexpected accident or serious illnesses.

The UULM-MD has a reverence for the interdependent web of all existence which fosters justice, health and equity in society thus we encourage you to vote favorably on SB 601.

Thank you

SB0601 Young Adult Health Insurance Subsidies Prog

Uploaded by: Cecilia Plante

Position: FAV



TESTIMONY For SB0601

Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Bill Sponsor: Senator Feldman

Committee: Finance

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of SB0601 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

The original Health Benefit Exchange Fund that became law in 2021 had a pilot program that would help young adults, between 18 and 41 years of age and making 133% to 400% below poverty level to, pay for insurance premiums. This is good for the state, because we want young people to participate in our insurance plans since they are generally in good health. Secondly, it helps young people who do need emergency care afford it without going broke.

This bill would make the pilot program permanent and provide funding for it. We strongly support this bill and recommend a **FAVORABLE** report in committee.

BaltimoreCounty_FAV_SB0601.pdf

Uploaded by: D'Andrea Walker

Position: FAV



JOHN A. OLSZEWSKI, JR.
County Executive

JENNIFER AIOSA
Director of Government Affairs

AMANDA KONTZ CARR
Legislative Officer

JOSHUA M. GREENBERG
Associate Director of Government Affairs

BILL NO.: SB 601

TITLE: Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

SPONSOR: Senator Feldman

COMMITTEE: Finance

POSITION: **SUPPORT**

DATE: March 1, 2023

Baltimore County strongly **SUPPORTS** Senate Bill 601 – Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal. This legislation would repeal the termination date of the State-Based Young Adult Health Insurance Subsidies Pilot Program.

Young adults between the ages of 18 and 34 represent the largest group of uninsured residents in the State. Many are forced to take jobs that offer no insurance benefits and struggle to find high quality, affordable healthcare. The COVID pandemic highlighted the critical need for each and every resident to be insured, as many were saddled with burdensome hospital costs and to this day struggle to pay their bills. In 2021, the General Assembly passed the Young Adult Health Insurance Subsidies Pilot Program, a transformative program that offered annual subsidies to young adults at up to 400% of the federal poverty line to cover the cost of insurance. That program would sunset this year.

Senate Bill 601 would end the pilot program and establish the State-Based Young Adult Health Insurance Subsidies Program, making permanent the life-changing pilot program that for many has made healthcare affordable and accessible. The need for healthcare has not declined since this program was initially established; this legislation ensures that all residents in need continue to receive this vital assistance.

Accordingly, Baltimore County requests a **FAVORABLE** report on SB 601. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov.

SB0601.LOS.pdf

Uploaded by: Heather Forsyth

Position: FAV

ANTHONY G. BROWN
Attorney General

CANDACE MCLAREN LANHAM
Chief of Staff

CAROLYN QUATTROCKI
Deputy Attorney General

Writer's Fax No.
410.576.6571



WILLIAM D. GRUHN
Chief
Consumer Protection Division

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

Writer's Direct Dial No.
410.576.6513

February 28, 2023

TO: The Honorable Melony Griffith, Chair
Senate Finance Committee

FROM: Office of the Attorney General, Health Education and Advocacy Unit

RE: SB0601 – Maryland Health Benefit Exchange – State-Based Young Adult
Health Insurance Subsidies Pilot Program – Sunset Repeal: **Support**

The Office of the Attorney General, Health Education and Advocacy Unit, writes to urge your support of SB0601 which repeals the sunset provision of the Young Adult Subsidy Pilot Program established by HB780/SB729 during the 2021 session of the General Assembly. The original bill authorized the young adult subsidy as a pilot program for calendar years 2022 and 2023 and was funded by a health insurance provider fee assessment.

“Young Invincibles,” adults ages 18-34, tend to be uninsured at a higher level than other populations, particularly among Black and Latino adults. But according to MHBE data, enrollments by young adults surpassed 50,000 in 2022, 7% more than a year earlier. In addition, total enrollment by Black applicants in private plans grew by 11% and increased by 14% for Latino applicants. These gains in enrollment were propelled by the additional financial help provided by the young adult subsidy.

This bill makes the young adult subsidy program permanent, thus continuing Maryland’s efforts to build health equity and improve access to affordable and appropriate healthcare, as recommended by the Office of the Attorney General’s COVID 19 Access to Justice Task Force. In addition, an increase in the number of younger, healthy adults improves the risk pool for the individual market and stabilizes health insurance premiums for all enrollees.

We respectfully request the Committee’s favorable report for SB0601.

SB0601_Favorable_MdPHA.docx.pdf

Uploaded by: Ilona Kabara

Position: FAV



Mission: To improve public health in Maryland through education and advocacy

Vision: Healthy Marylanders living in Healthy Communities

**SB0601 Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies
Pilot Program – Sunset Repeal**

Hearing Date: 03/01/23

Committee: Finance

Position: SUPPORT

Chair Griffith, Vice-Chair Klausmeier, and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 601. This bill would rename the State-Based Young Adult Health Insurance Subsidies Pilot Program to be the State-Based Young Adult Health Insurance Subsidies Program; and repeal the termination date of certain provisions of law.

In 2021, Maryland enacted a subsidies law that introduced a two-year pilot project to help lower-income 18-34 year olds purchase health coverage. According to the Maryland Health Benefit Exchange (MHBE), this incredibly successful initiative has allowed 45,000 young Marylanders to enroll in insurance coverage, including over 17,000 who were new to the marketplace (data as of 2022). MHBE's young adult enrollees increased from 4% to more than 24% in this timeframe and young adults were found to be more likely to pay their premiums and continue coverage. Senate Bill 601 would remove the sunset on this important health care program and the Maryland Public Health Association (M&D PHA) would like to express support for this bill.

Access to health care during young adulthood is important for preventive care that reduces the likelihood of later life chronic illness and treatment for disorders that reach their highest incidence levels during this age, such as psychiatric and substance use disorders¹. Studies have shown that expanding coverage for young adults may enable them to develop an ongoing relationship with a health care provider (e.g., a primary care physician, gynecologist, etc.), seek and utilize preventative care, and consequently build trust within the healthcare space².

Additionally, this program is improving health equity in our state, a cause that M&D PHA is very passionate about. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. Not only is this program helping young Marylanders become and stay healthy, but the subsidies program is also fiscally forward-thinking for several reasons: 1. utilization of the primary care system decreases the burden on more expensive urgent care settings, 2. plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible, and 3. making coverage for young adults more affordable also helps to stabilize premiums within the market as a whole by bringing more healthy people into the market.

1. Kessler, R., Berglund, P., Demler, O., Jin, R., Merikangas, K., & Walters, E. (2005). Lifetime prevalence and age-of-onset distributions of DSM-IV disorders in the National Comorbidity Survey Replication. *Archives of General Psychiatry*, 62, 593-602.

2. Baicker, K., Taubman, S. L., Allen, H. L., Bernstein, M., Gruber, J. H., Newhouse, J. P., . . .

Finkelstein, A. N. (2013). The Oregon Experiment: Effects of Medicaid on clinical outcomes. *New England Journal of Medicine*, 368, 1713-1722. doi:10.1056/NEJMsa1212321

We thank Senator Feldman for sponsoring the legislation to start this program two years ago and for his leadership sponsoring SB 601 to remove the sunset. We strongly urge a favorable report for SB 601.

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)
PO Box 7045 · 6801 Oak Hall Ln · Columbia, MD 21045-9998
GetInfo@MdPHA.org www.mdpha.org 443.475.0242**

SB 601 - Maryland Health Benefit Exchange – State–

Uploaded by: Jake Whitaker

Position: FAV



Maryland
Hospital Association

Senate Bill 601 - Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Position: *Support*

March 1, 2023

Senate Finance Committee

MHA Position

On behalf of the Maryland Hospital Association’s (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment in support of Senate Bill 601.

Broad-based, affordable, and comprehensive health insurance is integral to hospitals’ ability to provide high-quality care. It also is key to the state’s success under the Total Cost of Care Model, which pushes accountability for whole-person care, including population health. Maryland hospitals have been strong proponents of the state’s efforts to expand health care coverage, supporting Medicaid expansion, offering subsidized individual and small group health plans through the Maryland Health Benefit Exchange (MHBE), the reinsurance subsidy, and the Young Adult Subsidy at issue.

Nearly 400,000 Marylanders remain uninsured, and even more are underinsured—which often prevents access to care and results in worse health outcomes. Moreover, the percentage of uninsured rises dramatically when looking at communities with historical health inequities. With the Young Adult Subsidy Program, enrollments for young adults in 2022 surpassed 50,000—7% more than the year before. Monthly premiums dropped by about \$40 on average for more than 33,000 of young adults who qualified for the subsidy.¹

Maryland hospitals support this bill’s efforts to continue offering affordable coverage to more Marylanders. We look forward to our continued partnership with the state and the legislature to create sustainable solutions for access to affordable, comprehensive health insurance coverage.

For these reasons we respectfully request a *favorable* report on SB 601.

For more information, please contact:
Jake Whitaker, Director, Government Affairs
Jwhitaker@mhaonline.org

¹ Maryland Health Benefit Exchange. “Annual Report 2022.” marylandhbe.com/wp-content/uploads/2022/12/MHBE-2022-Annual-Report.pdf (accessed February 21, 2023).

SB601_FAV_Varwig.pdf

Uploaded by: Jana Varwig

Position: FAV

TESTIMONY IN FAVOR OF SENATE BILL 601

Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot
Program – Sunset Repeal

Before the Senate Finance Committee

Jana Varwig, PhD

March 1, 2023

Chair Griffith, Vice-Chair Klausmeier, and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 601 which would remove the sunset on the youth health coverage subsidies pilot program.

In my career as an administrator in higher education in Maryland, I saw many young adults, particularly young alumni who did not have health insurance - either they could not be on a parent's plan or they had aged out of their parent's plan and they were working for an employer who did not provide health insurance. Young adults, working for small non-profits, or for smaller businesses in the food industry, retail or doing gig work generally do not have access to affordable health insurance through their employers.

For this reason I volunteered with the Health Care for All! Coalition to help get the message out to young adults and their families about Maryland's new youth pilot subsidy program making health insurance affordable for lower income young adults. And as you know, 45,000 young adults took advantage of this youth subsidy in 2022.

This is an issue that hits me at home. My son who could not get health insurance through his employer needed health insurance when he turned 26. Thanks to the Affordable Care Act, he was able to find a policy. It provided some very basic medical care coverage including office visits; however, it had a very high deductible. Essentially, he would be responsible for paying most of his medical costs up to \$6000. If he had become seriously ill, injured or ended up in the hospital he would have incurred \$6000 of medical debt - unaffordable for him and for most young adults in entry level jobs. The cost of this policy discourages young people from both getting health insurance and from getting medical care when they need it.

With the pilot youth subsidy program he was able to change to a policy which provided basic medical care along with an overall deductible that was substantially lower - \$2000. He also paid lower monthly premiums for this policy. This allowed him to seek medical care when he needed without putting him in debt.

I have talked with many parents of young adults without health insurance and I can tell you this is an issue which really makes parents worry. A young person without health insurance in a pandemic or needing surgery or requiring hospitalization is a disaster for the entire family. Making health insurance affordable for young people by continuing this subsidy is really smart health policy. I urge the Committee to continue the health insurance subsidy program for young adults with lower incomes and give a favorable report for SB 601.

SB 601, FAV, FCG OCE Testimony, LS23 .pdf

Uploaded by: Jessica Fitzwater

Position: FAV



JESSICA FITZWATER
COUNTY EXECUTIVE
FREDERICK COUNTY, MARYLAND

Senate Bill 601

**Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance
Subsidies Pilot Program – Sunset Repeal**

DATE: March 1, 2023
COMMITTEE: Senate Finance Committee
POSITION: Favorable
FROM: Frederick County Executive Jessica Fitzwater

As the County Executive of Frederick County, I urge the committee to give Senate Bill 601 a favorable report with amendments.

Thanks to leadership within this body, in 2021 Maryland enacted a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. House Bill 814 would remove the sunset on this important health care program.

Young adults in Frederick County have greatly benefited from this successful pilot program. According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders have used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. Young adults comprised more than 24% of the MHBE's total new enrollees, compared to 4% the year before. Young adults were more likely to pay their premiums and continue coverage.

It is important that Maryland continue this successful public health program. Many of our youth have been able to access health coverage through Maryland Health Connection for the first time. Others were able to upgrade to plans with lower deductibles and other cost-sharing, or were better able to afford their premiums.

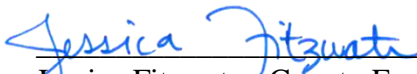
This program has also been reducing racial and ethnic disparities within this age group. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. This program is improving health equity in our state.

The subsidies program also is a good use of state dollars, as plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible. The average subsidy per household was \$35 per month, reducing average household premiums by 34%. Making coverage for young adults more affordable also helps to stabilize premiums within the market by bringing more healthy people into the market.

Finally, it is crucial that we pass legislation this year to continue the program because the federal health emergency enacted in response to the COVID pandemic is coming to an end this year, and many of our residents may experience a gap in insurance when they unwind from Medicaid. This program would help young adults be able to afford private insurance and maintain having coverage instead of falling through the cracks.

Thank you to this body for your leadership passing the two-year pilot. I urge you to build on its success and give a favorable report for SB 601.

Respectfully,



Jessica Fitzwater, County Executive
Frederick County, MD

SB 0601 - Favorable.pdf

Uploaded by: Kenneth Phelps, Jr.

Position: FAV



TESTIMONY IN SUPPORT OF SB 0601

**Maryland Health Benefit Exchange – State–Based Young Adult
Health Insurance Subsidies Pilot Program – Sunset Repeal**

Senate Finance Committee

FAVORABLE

TO: Senator Melony Griffith, Chair. Senator Katherine Klausmeier and members of the Senate Finance Committee

FROM: Rev. Kenneth Phelps, Jr., Maryland Episcopal Public Policy Network

DATE: March 1, 2023

The Episcopal Church supports comprehensive health care and recognizes the need for universal and equitable access for all. General Convention urges Episcopalians to advocate for adequate health care, along with nutrition and housing, as human rights that should be provided to all those residing in our nation, including veterans, students, and immigrants, undocumented or otherwise. This advocacy on a number of healthcare policy asks is viewed as a Church ministry and as a way to promote healthy American communities.

The Diocese of Maryland is pleased to offer a favorable testimony in strong support of the SB 0601. In 2021 Maryland enacted a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. House Bill 814 would remove the sunset on this important health care program.

The two-year pilot program has been very successful. Young adults are the age group most likely to be uninsured, and this program has made great strides in helping them gain coverage. According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders have used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. MHBE's new enrollees comprised of young adults increased from 4% to more than 24%. Young adults were more likely to pay their premiums and continue coverage. It is critical that this program continue to help young adults, many of whom have been able to access health coverage through Maryland Health Connection for the first time, while



others already had coverage and were better able to afford their plans or upgrade to higher metal-level plans with lower cost-sharing. The federal health emergency coming to an end this year makes this program even more important so that young adults unwinding from Medicaid can afford coverage in the individual market and not experience a gap in coverage.

This program has also been reducing racial and ethnic disparities within this age group. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. This program is improving health equity in our state.

The Diocese of Maryland requests a Favorable report

SB 601_HorizonFoundation_FAV.pdf

Uploaded by: Kerry Darragh

Position: FAV



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Lanlan Xu

March 1, 2023

COMMITTEE: Senate Finance Committee

BILL: SB 601 – Maryland Health Benefit Exchange – State-Based Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

POSITION: Support

The Horizon Foundation is Howard County's community health foundation and the largest independent health philanthropy in the state of Maryland. We lead community change so everyone in Howard County can live a longer, better life.

The Foundation is pleased to support SB 601 – Maryland Health Benefit Exchange – State-Based Adult Health Insurance Subsidies Pilot Program – Sunset Repeal.

In 2021, Maryland enacted a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. SB 601 would remove the sunset on this important health care program.

The two-year pilot program has been very successful. Young adults are the age group most likely to be uninsured, and this program has made great strides in helping them gain coverage. According to Maryland Health Benefit Exchange (MHBE), in 2022, about 45,000 young Marylanders used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. MHBE's new enrollees comprised of young adults increased from 4% to more than 24%. Young adults were also more likely to pay their premiums and continue coverage. It is critical that this program continue to help young adults, many of whom have been able to access health coverage through Maryland Health Connection for the first time, while others already had coverage and were better able to afford their plans or upgrade to higher metal-level plans with lower cost-sharing. The federal health emergency coming to an end this year makes this program even more important so that young adults unwinding from Medicaid can afford coverage in the individual market and not experience a gap in coverage.

Horizon Foundation Testimony
SB 601 – Maryland Health Benefit Exchange – State-Based Adult Health
Insurance Subsidies Pilot Program – Sunset Repeal
March 1, 2023

This program has also been reducing racial and ethnic disparities within this age group. In 2022, young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. Health equity is a priority for the Horizon Foundation, and this program is a great example of how we can work to eliminate health disparities in our state.

The subsidies program also is a good use of state dollars, as plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible. Making coverage for young adults more affordable also helps to stabilize premiums within the market as a whole by bringing more healthy people into the market.

The Horizon Foundation recognizes the need to offer affordable and reliable healthcare to all Marylanders, especially those who have faced historical barriers to accessing care. For this reason, the Horizon Foundation **SUPPORTS SB 601** and urges a **FAVORABLE** report.

Thank you for your consideration.

sb601- health insurance subsidies- FIN 3-1-'23.pdf

Uploaded by: Lee Hudson

Position: FAV



Delaware-Maryland Synod
Evangelical Lutheran Church in America
God's work. Our hands.

Testimony Prepared for the
Finance Committee
on
Senate Bill 601
March 1, 2023
Position: **Favorable**

Madam Chair and members of the Committee, thank you for the opportunity to speak for access to health care in Maryland. I am Lee Hudson, assistant to the bishop for public policy in the Delaware-Maryland Synod, Evangelical Lutheran Church in America, a faith community with congregations in every region of our State.

Our community has advocated for access to appropriate and adequate health care for all people in the United States and its territories since 2003.

We supported *Senate Bill 729* of 2021, a pilot that increased subsidies for young adults on the Maryland Health Benefit Exchange. We are pleased that the 2022 MHBE evaluation of that pilot shows an increase of medical insurance coverage in a demographic where it had remained stubbornly weak. About 45,000 younger Marylanders have used the pilot subsidies to enroll in insurance coverage. 17,000 were new to the marketplace; young adult enrollees increased from only 4% to more than 24%. Additionally, they were likely to pay the premiums and continue their coverage.

Because of the leadership of this Committee, Maryland has made important progress insuring the uninsured, implementing the Affordable Care Act effectively and generously. When people cannot afford medical insurance, medical dollars spent produce less effective care. Money spent on under-insurance—and unaffordable insurances—result in more expensive care, and uncompensated care costs are socialized across the market.

Senate Bill 601 will make Maryland's young adult subsidies permanent and advance the State's implementation of the ACA; to the benefit of health care consumers, carriers, providers, and the State. Because more people likely will receive appropriate medical care, we urge a favorable report for **Senate Bill 601**.

Lee Hudson

SB 601- MoCo_Elrich_FAV (GA 23).pdf

Uploaded by: Marc Elrich

Position: FAV



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

March 1, 2023

TO: The Honorable Melony Griffith
Chair, Finance Committee

FROM: Marc Elrich
County Executive

RE: Senate Bill 601, *Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal*
Support

I am writing to express my strong support for Senate Bill 601, *Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal*. Senate Bill 601 removes the sunset and piloting provision of the State-Based Young Adult Health Insurance Subsidies Pilot Program to make the Program and its funding permanent, which will enable tens of thousands of Marylanders under age 35 to continue to access the subsidies provided by the Program to purchase health insurance through the State's Health Benefit Exchange.

According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders used these subsidies to enroll in insurance coverage, including over 17,000 who enrolled through MHBE for the first time. In a typical year, nearly twice as many Montgomery County residents enroll in a Qualified Health Plan through MHBE as any other county- I support the sunset repeal for the subsidy program so that the youngest enrollees can continue to receive financial support to make health insurance affordable. The subsidies provided by the Program have reduced the cost of premiums for recipients by an average of 34%.

Montgomery County has demonstrated its commitment to ensuring residents who are not eligible for Medicaid, Medicare, or employer-sponsored coverage have access to health care through tremendous investment of County funds in the provision of health care services. I encourage the State to continue its commitment to investing in health care access for young Marylanders who are also ineligible for Medicaid, Medicare, and employer-sponsored coverage by issuing a favorable report on Senate Bill 601 so the Program subsidies will be available for years to come.

cc: Members of the Finance Committee

2023 MCHS SB 601 Senate Side FAV.pdf

Uploaded by: Michael Paddy

Position: FAV



Maryland Community Health System

Committee: Senate Finance Committee

Bill Number: Senate Bill 601 - Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Hearing Date: March 1, 2023

Position: Support

Maryland Community Health System (MCHS) is in strong support of Senate Bill 601 - Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal. This bill repeals the termination date of the State-Based Young Adult Health Insurance Subsidies Pilot Program and makes the pilot a permanent program.

MCHS is a network of federally qualified health centers who focus on serving the uninsured and individuals in the Medicaid and Medicare programs. This bill will support our health centers' young adult patients in obtaining affordable insurance. This will be critical to improving health outcomes and encouraging preventative health measures amongst the young adult populations. The bill will continue to make insurance more affordable for everyone. By encouraging more young adults to purchase insurance, the Young Adult Subsidy Program will broaden the risk pool and lower premium rates for all participants.

We ask for the Committee's full support of this legislation. We are committed to working with the Committee and other stakeholders as you review this bill. Thank you for your consideration of our testimony, and we urge a favorable vote. If we can provide any further information, please contact Michael Paddy at mpaddy@policypartners.net.

Bain_SB 601_FAV.pdf

Uploaded by: Mukta Bain

Position: FAV

Mukta Bain
2 Rambling Oaks Way,
apt K
Catonsville MD, 21228

**SB 601- Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance
Subsidies Pilot Program – Sunset Repeal**

Hearing Date: 3/01/23

Committee: SENATE FINANCE

Position: SUPPORT

Thank you, Chair Griffith, Vice Chair Klausmeier, and Senate Finance Committee members, for allowing me to testify in support of SB 601. As a young adult, I urge you to support this bill.

A few years ago Medicaid covered my health insurance, and I had no worries about paying for medications, visits to my primary care provider, and my therapy sessions every two weeks. When I got a job as contact tracer II, the Baltimore County Department of Health did not provide me with health insurance. I was worried about how I would pay for my medications and therapy sessions because my coverage through Medicaid was set to expire. I went to the Maryland Health Connection website to see my options. The available subsidies were not enough to make health coverage affordable; either the premium was too high, or the deductible was too high. For many of the health plans, the premium was higher than my rent. I was in a position of having to choose either my health care or my rent.

Thankfully, I was able to find a new position which offered health coverage before my Medicaid coverage ended, but not all Marylanders my age are as fortunate. Young adults aged 18-34 making up the largest uninsured age group in Maryland. That is why I was so glad that Maryland started a state subsidies program to make health coverage affordable for young adults. This program has been very successful. In 2022 about 45,000 young Marylanders have used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. It is critical that this program continue so that these Marylanders can continue to be able to afford their health coverage. Keeping young adults in the individual market should also improve the risk pool and help stabilize premiums for all individual market enrollees.

I also encourage you to look at the outcomes for behavioral health in Maryland. 15.8 percent of Marylanders have depression, 11.8 percent go through frequent mental distress, 15.1 percent on excessive drinking, and the list goes on and on.² If young adults don't have health insurance now, then their health problems will increase in the future. If Maryland wants to continue to set an example for other states on how to help residents access affordable health coverage, then I urge the Committee to give a favorable report to SB 601.

¹ Report on Establishing State-Based Individual Market Health Insurance Subsidies (2020). *Maryland Health Benefit Exchange*. https://www.marylandhbe.com/wp-content/uploads/2020/12/SB124HB196_Chpt-104_2020_MHBE_State-Based-Subsidy-Report.pdf

² Annual Report (2020). *American's Health Rankings*. United Health Foundation. <https://www.americashealthrankings.org/explore/annual/measure/HealthInsurance/state/MD>

SB601 SUPPORT Md Nonprofits FIN 3-1-23.pdf

Uploaded by: Neil Bergsman

Position: FAV



**TESTIMONY IN FAVOR OF
SENATE BILL 601**

**SENATE FINANCE COMMITTEE
MARCH 1, 2023**

MARYLAND NONPROFITS

**Contact: Neil Bergsman, Senior Policy Analyst
nbergsman@mdnonprofit.org 667-335-0401**

Maryland Nonprofits supports Senate Bill 601 to extend the state's current program of assistance for young adults to obtain individual health insurance.

Improved health outcomes, improved quality of life, and reduced disparities in healthcare are goals that are of interest to Maryland's nonprofit community, and especially to those nonprofit organizations whose missions relate to health, behavioral health and human services.

- This bill will help the qualifying employees and clients of nonprofit organizations to obtain quality, affordable health coverage.
- By facilitating access to primary and preventive care, it will improve health outcomes.
- By making coverage for young adults more affordable and bringing more healthy people into the individual health insurance market, it will also help to stabilize premiums within the market.
- The bill will reduce racial disparities in health coverage. Young Adult Subsidy recipients, compared to young adult enrollees ineligible for the subsidy, are more likely to be Hispanic (14% vs. 9%), Black/African American (22% vs. 16%), and female (57% vs. 54%).
- And finally, the bill will help address the looming Medicaid benefit "cliff." Throughout the COVID-19 health emergency, Medicaid has not terminated enrollees. 22,000 young adults are now at risk of losing their Medicaid coverage. The availability of the incentive that this bill extends will be key to keeping young adults enrolled in coverage as Medicaid terminations resume in Spring 2023.

For these reasons, **Maryland Nonprofits respectfully requests a FAVORABLE report on SB 601.**

Maryland Nonprofits is the statewide network of all nonprofits, with more than 1,700 member organizations across the state. Nonprofit organizations employ 12.9% of the state's private sector workforce – more than any other sector except retail.

SB 601- LWVMD- FAV- State-Based Young Adult Health

Uploaded by: Nora Miller Smith

Position: FAV



TESTIMONY TO THE SENATE FINANCE COMMITTEE

SB0601: Maryland Health Benefit Exchange- State-Based Young Adult Health Insurance Subsidies Pilot Program- Sunset Repeal

POSITION: Support

BY: Nancy Soreng, President

DATE: March 1, 2023

The League of Women Voters Maryland supports **Senate Bill 601**, which would remove the sunset and allow the Young Adult Health Insurance Subsidies Program to continue.

The League believes that health care is a human right, and that every Maryland resident should have access to affordable, equitable, quality health care. But without health insurance coverage, patients can be unable to access the services they need, relying instead on overburdened hospital Emergency Departments for non-emergency care. This can lead to potentially unmanageable medical debt for the patient, increased uncompensated care costs for hospitals, and, ultimately, increased costs of medical care for everyone. **Expanding access to affordable health insurance is crucial, so that all Marylanders will be able to get the care they need.**

After the Covid-19 public health emergency ends this spring, the Department of Health and Human Services estimates¹ that 15 million people could lose Medicaid coverage, with young adults being disproportionately affected. **Young adults age 18-34 already have the highest uninsured rate in the U.S.,² with the cost of coverage identified as the biggest barrier.** Offering young adults financial assistance to help pay health insurance premiums is a proven, cost-effective method of ensuring their access to health care.

In 2021, the Maryland legislature created a two-year pilot program to provide premium subsidies to eligible low-income young adults, enabling them to purchase health insurance on the Health Benefit Exchange.

¹ <https://www.healthcarefinancenews.com/news/15-million-people-may-lose-medicaid-coverage-after-covid-19-phe-ends-says-hhs>

² <https://www.healthsystemtracker.org/indicator/access-affordability/percent-uninsured/#Share%20people%20who%20were%20uninsured%20or%20underinsured,%20under%20age%2065,%202021>

The program has been very successful. **About 45,000 young Marylanders have used the subsidies to enroll in insurance coverage, with an average premium reduction of \$35, or 34%.³** The pilot program also increased health equity and reduced racial and ethnic health disparities within this age group, as young adult subsidy recipients were more likely to be Latino or Black than those ineligible for the subsidy.

Helping more young adults enroll in and keep health care coverage benefits all Marylanders, as having more young, healthy people in the market helps stabilize premiums for everyone. Continuing this program is a cost-effective way to help ensure that our healthcare system is equitable and works for all. **For that reason, the League and its 1,500+ members urge the committee to give a favorable report to Senate Bill 601.**

³ https://mgaleg.maryland.gov/meeting_material/2023/fin%20-%20133186084689248219%20-%20Briefing%20Materials%2001-19-23.pdf

SB0601-FAV-DTMG-3-1-23.pdf

Uploaded by: Olivia Bartlett

Position: FAV



Olivia Bartlett, DoTheMostGood Maryland Team

Committee: Finance

Testimony on: SB0601 – Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Position: Favorable

Hearing Date: March 1, 2023

Bill Contact: Senator Brian Feldman

DoTheMostGood (DTMG) is a progressive grass-roots organization with members in all districts in Montgomery County as well as in several neighboring counties. DTMG supports legislation and activities that keep all Maryland residents healthy and safe in a clean environment and which promote equity across all our diverse communities. SB0601 supports these goals by removing the sunset on a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage.

The two-year pilot program has been very successful. Young adults are the age group most likely to be uninsured, and this program has made great strides in helping them gain coverage. According to the Maryland Health Benefit Exchange (MHBE), in 2022 about 45,000 young Marylanders used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. MHBE's new young adult enrollees increased from 4% to more than 24%.

Young adults were more likely to pay their premiums and continue coverage. It is critical that this program continue to help young adults, many of whom have been able to access health coverage through Maryland Health Connection for the first time, while others already had coverage and were better able to afford their plans or upgrade to higher level plans with lower cost-sharing. The federal health emergency coming to an end this year makes this program even more important so that young adults unwinding from Medicaid can afford coverage in the individual market and not experience a gap in coverage.

This program has also been reducing racial and ethnic disparities within this age group. In 2022, young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. This program is improving health equity in our state.

The subsidies program also is a good use of state dollars, as plans for young adults tend to cost less than plans for other groups, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible. Making coverage for young adults

more affordable also helps to stabilize premiums within the market by bringing more healthy people into the market.

For all these reasons, DTMG strongly supports SB0601 and urges a **FAVORABLE** report on this bill.

Respectfully submitted,

Olivia Bartlett
DoTheMostGood Maryland Team
olviabartlett@verizon.net
240-751-5599

SB601. Maryland Health Benefit Exchange.Letter of

Uploaded by: Reuben Collins

Position: FAV



CHARLES COUNTY COMMISSIONERS

Reuben B. Collins, II, Esq., *President*
Ralph E. Patterson, II, M.A., *Vice President*
Gilbert O. Bowling, III
Thomasina O. Coates, M.S.
Amanda M. Stewart, M.Ed.

Mark Belton
County Administrator

March 1, 2023

Bill: SB 601 – Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal
Committee: Senate – Finance
Position: FAVORABLE

Chair Giffith, Vice-Chair Klausmeier, and Members of the Senate Finance Committee:

On behalf of the Charles County Board of Commissioners, it is my sincere pleasure to support passage of SB 601. Thanks to your leadership in 2021, Maryland enacted a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. SB 601 would remove the sunset on this important health care program.

Young adults who reside in our locality have greatly benefited from this successful pilot program. Here Charles County we were thrilled to publicize the program in order to ensure that young adults were able to get the health coverage that they need, and they took our call in great numbers. According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders have used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. Young adults comprised more than 24% of the MHBE's total new enrollees, compared to 4% the year before. Young adults were more likely to pay their premiums and continue coverage.

It is important that Maryland continue this successful public health program. Many of our youth have been able to access health coverage through Maryland Health Connection for the first time. Others were able to upgrade to plans with lower deductibles and other cost-sharing, or were better able to afford their premiums.

This program has also been reducing racial and ethnic disparities within this age group. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. This program is improving health equity in our state.

The subsidies program also is a good use of state dollars, as plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch

further in covering as many uninsured individuals as possible. The average subsidy per household was \$35 per month, reducing average household premiums by 34%. Making coverage for young adults more affordable also helps to stabilize premiums within the market as a whole by bringing more healthy people into the market.

Finally, the timing of continuing this program is more important than ever because the federal health emergency is coming to an end this year, and many of our residents may experience a gap in insurance when they unwind from Medicaid. This program would help young adults be able to afford private insurance and maintain having coverage instead of falling through the cracks.

We encourage a favorable committee report on SB 601. Thank you for the opportunity to provide our full support.

Sincerely,

A handwritten signature in blue ink, appearing to read 'RBC', with a long horizontal flourish extending to the right.

Reuben B. Collins, II, Esq., President
County Commissioners of Charles County

cc: Charles County Delegation

SB 601 Laughlin Testimony.pdf

Uploaded by: Robert Laughlin

Position: FAV

TESTIMONY IN SUPPORT OF SENATE BILL 601

Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Before the Senate Finance Committee

By Robert Laughlin

March 1, 2023

Chair Griffith, Vice-Chair Klausmeier, and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 601. Thanks to your leadership, in 2021 Maryland enacted a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. Senate Bill 601 would remove the sunset on this important health care program.

This subsidy has been a lifeline to thousands of other young adults, including myself, who struggle to afford quality health insurance. The subsidy has lowered my monthly premiums significantly, reduced my deductible by thousands of dollars, and improved my access to healthcare greatly. Before the subsidy was passed, I was paying for an expensive plan that did not give me much coverage. I had a high deductible and was paying hundreds of dollars for visits to specialists. If I had needed to go to the emergency room, or needed other expensive treatment, I would have been put into thousands of dollars of debt. Most importantly, the subsidy provided me with preventative care for elevated cholesterol which would have otherwise gone unnoticed.

The passing of Senate Bill 601 would ensure that myself and many others keep the benefits that we have enjoyed for the past two years. Easy access to affordable healthcare has made it possible for young Marylanders to stay healthy and productive without fear of financial ruin from expensive medical bills. This law is not only important for the health and wellbeing of young adults, but it has significant economic benefits for Maryland. By providing affordable healthcare to young adults, we can help to reduce the overall cost of healthcare in the state. This will lead to a healthier workforce, reduced absenteeism, and increased productivity.

I thank Senator Feldman for sponsoring the legislation to start this program two years ago and for his leadership sponsoring SB 601 to remove the sunset. I urge a favorable report for SB 601.

BMNCBV_FAV_SB601.pdf

Uploaded by: Sandra Conner

Position: FAV

**Baptist Ministers' Night Conference of
Baltimore and Vicinity (BMNCBV)**

5405 York Road, Baltimore, Maryland 21212, (443) 386.4739



**TESTIMONY IN SUPPORT OF SENATE BILL 601
BEFORE THE SENATE FINANCE COMMITTEE**

**BY REV. DR. SANDRA CONNER, PRESIDENT, BMNCBV
MARCH 1, 2023**

Chair Griffith, Vice Chair Klausmeier, and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 601. Baptist Ministers' Night Conference of Baltimore and Vicinity is an organization that strives to equip faith leaders with resources to do effective health ministries for its congregants.

Thanks to your leadership, in 2021 Maryland enacted a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. Senate Bill 601 would remove the sunset on this important health care program.

The two-year pilot program has been very successful. Young adults are the age group most likely to be uninsured, and this program has made great strides in helping them gain coverage. According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders have used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. MHBE's new enrollees comprised of young adults increased from 4% to more than 24%. Young adults were more likely to pay their premiums and continue coverage. It is critical that this program continue to help young adults, many of whom have been able to access health coverage through Maryland Health Connection for the first time, while others already had coverage and were better able to afford their plans or upgrade to higher metal-level plans with lower cost-sharing. The federal health emergency coming to an end this year makes this program even more important so that young adults unwinding from Medicaid can afford coverage in the individual market and not experience a gap in coverage.

This program has also been reducing racial and ethnic disparities within this age group. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. This program is improving health equity in our state. The subsidies program also is a good use of state dollars, as plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible. Making coverage for young adults more affordable also helps to stabilize premiums within the market as a whole by bringing more healthy people into the market.

We thank Senator Feldman for sponsoring the legislation to start this program two years ago and for his leadership sponsoring SB 601 to remove the sunset. We pray that our legislators will heed our call and give a favorable report for SB 601.

Rev. Dr. Sandra Conner

revdrconner@gmail.com

SB601_FAV_Bur.pdf

Uploaded by: Sarah Bur

Position: FAV

TESTIMONY IN FAVOR OF SENATE BILL 601

Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot
Program – Sunset Repeal

Before the Senate Finance Committee

By: Sarah Bur

March 1, 2023

Chair Griffith, Vice Chair Klausmeier, and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 601 which would remove the sunset on the State-Based Young Adult Health Insurance Subsidies Program. I am the parent of a 27 year-old, Devin Gillespie, who benefitted from the subsidy program. Devin has a chronic health condition and makes \$15 per hour as a cook. While \$15 is a living wage it is tough to live on, with rent taking up half his income. The health insurance subsidy made Devin's health insurance completely affordable. He currently pays \$55 per month for an excellent HMO plan which makes doctor's visits and medication affordable. This brings us all peace of mind, as health coverage is extremely important. Lower income young adults need affordable health insurance. Please give SB 601 a favorable report and end the sunset on the Young Adult Health Insurance Subsidies program.

Sarah Bur, Baltimore City

SB 601_FAV_Ogee.pdf

Uploaded by: Sheena Ogee

Position: FAV

TESTIMONY IN SUPPORT OF SENATE BILL 601

Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Before the Senate Finance Committee

By Sheena Ogee

March 1, 2023

Chair Griffith, Vice Chair Klausmeier, and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 601. Thanks to your leadership, in 2021 Maryland enacted a subsidies law which invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. Senate Bill 601 would remove the sunset on this important health care program.

For those transitioning from their parent’s health plans, or for those just finding their way in the workforce, the harsh reality of high-cost insurance premiums can discourage some young adults from signing up for health care coverage because ultimately, they may feel “completely healthy and invincible”. Life as we know it is unpredictable, and with the COVID health emergency upending what little consistency we once had, more young adults are finding out the importance of having quality, affordable health care coverage. An uptick in the discovery and sudden need to manage chronic health conditions, an increased demand for mental health supports, and a necessity for access to stable primary care services are causing many young adults to reassess their financial needs and prioritize health care in a way unseen by previous generations.

Young adults should not have to choose between paying for monthly health care premiums or paying for lunch for the week. I can speak on this in confidence because this was once my reality. Taking some of the burden away from the consumer via young adult health insurance subsidies will help to ensure that young adults in Maryland are prioritizing one of the most basic tenets of life, their health.

I thank Senator Feldman for sponsoring the legislation to start this program two years ago and for his leadership sponsoring SB 601 to remove the sunset. **I urge a favorable report for SB 601.**

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Uploaded by: State of Maryland (MD)

Position: FAV

March 1, 2023

The Honorable Melony G. Griffith
Chair, Senate Finance Committee
Senate Office Building, 3 East
11 Bladen St.
Annapolis, MD 21401

Re: Letter of Support – SB 601 – Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

Dear Chair Griffith and Members of the Senate Finance Committee:

The Maryland Health Benefit Exchange (MHBE) respectfully submits this letter of support on Senate Bill (SB) 601 – Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal. SB 601 repeals the sunset provision from the 2021 legislation SB729/HB780, to continue the MHBE’s Board’s authority to administer a state-based health insurance subsidies program for young adults.

Over the last several years, Maryland has taken significant steps to stabilize the individual market, including implementation of the State Reinsurance Program – a partnership with the federal government that has reduced individual market premiums by 25 percent since 2019, and enacting Easy Enrollment Programs to allow uninsured individuals to get connected to health coverage by checking a box on their state tax return or unemployment claim. Despite these successes, Maryland’s uninsured rate has held steady at about 6%, with young adults remaining as the most likely to be uninsured. A 2019 analysis showed young adults ages 18-34 accounted for approximately 43% of non-Medicaid-eligible, lawfully present uninsured adults in Maryland,¹ and surveys of young adults have consistently reported costs as the primary barrier to enrolling in coverage. While the State Reinsurance Program has effectively reduced average premiums in the last couple years, it is not an effective way to reduce premiums for individuals below 400% of the federal poverty level (FPL).^{2,3} Premium subsidies are the most effective way to reduce costs for lower income individuals, including young adults.

Pursuant to legislation passed by the Maryland General Assembly in 2021, MHBE launched a two-year pilot program in 2022 to provide a state-funded premium subsidy to help young adults reduce the amount they pay for health plans on Maryland Health Connection (MHC). Young adults are eligible to receive the state subsidy if they are ages 18-34, below 400% FPL, and ineligible for Medicaid. The subsidy pairs with federal premium subsidies to reduce premiums costs on a sliding scale, with the youngest and lowest income young adults paying the least.

In 2022 about **45,000 young adults** in Maryland received premium support from the pilot program, reducing their **average household premiums by 34%** (from \$106 to \$70 per month).⁴

¹ MHBE analysis of 2019 American Community Survey data

² MHBE: [Report on Establishing State-Based Individual Market Health Insurance Subsidies](#) (December 2020). Pursuant to Chapter 104 of the Acts of 2020. See pages 10-11.

³ MHBE: [Draft Maryland 1332 State Innovation Waiver Five-Year Extension Application 2024-2028](#) (February 2023). See Appendix A, page 2.

Provided below is additional information from a preliminary analysis of year one of the young adult subsidy program (2022):

- Growth in young adult enrollment as of January 31st increased about 11% year-over-year, outperforming growth in enrollment of all ages (8%). This was the largest such increase in young adult enrollment growth in four years.⁵
- Young adults comprised **more than 24% of** the MHBE's total **new enrollees**, compared to 4% the year before.⁵
- As of December 2022, young adults were **less likely to drop coverage** compared to the prior year (when the subsidy wasn't in effect): The number of young adults who dropped coverage fell 3%, even though among enrollees of all ages, the number who dropped coverage rose by 9% compared to the prior year.⁶
- Young Adult Subsidy recipients, compared to young adult enrollees ineligible for the subsidy, are **more likely to be Hispanic** (14% vs. 9%), **Black/African American** (22% vs. 16%), and **female** (57% vs. 54%).

A preliminary analysis of the program shows encouraging results, however longitudinal data are needed to more validly assess the direct impact of the subsidies on individual behavior and choices. It is complex to isolate the impact of the Young Adult Subsidy on outcomes because recipient households received sizable federal subsidies compared to non-recipients, and federal subsidies increased substantially in 2021, improving affordability for most enrollees.

It's also important to note that throughout this pilot, Medicaid has not terminated enrollees due to the public health emergency. This has likely depressed Exchange enrollment across the board, including young adult enrollment. An MHBE analysis as of Spring 2022 indicated that approximately **22,000 young adults** were being retained on Medicaid despite reporting an income change that would have otherwise made them ineligible for Medicaid. The availability of affordable private health insurance options will be key to keeping young adults enrolled in coverage as Medicaid terminations resume in Spring 2023.

For further discussions or questions on SB 601, please contact Johanna Fabian-Marks, Director of Policy and Plan Management at johanna.fabian-marks@maryland.gov.

Sincerely,



Michele Eberle
Executive Director

⁴ MHBE analysis of average premiums net of federal Advance Premium Tax Credits.

⁵ MHBE analysis of change in effectuated young adult enrollment comparing January 31, 2022; January 31, 2021, and January 31, 2020. Year-over-year increase in young adult enrollment in 2021 was 0.6%.

⁶ MHBE analysis of change in lapsed enrollment as of December 31, 2022; December 31, 2021; and December 31, 2020. MHBE analysis of average premiums net of federal Advance Premium Tax Credits.

Anne Arundel County_FAV_SB601.pdf

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Position: FAV



March 1, 2023

Senate Bill 601

**Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program –
Sunset Repeal
Senate Finance Committee**

Anne Arundel County **SUPPORTS** Senate Bill 601 – Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal.

Young adults who reside in our locality have greatly benefited from this successful pilot program. Here in Anne Arundel County we were thrilled to publicize the program in order to ensure that young adults were able to get the health coverage that they need, and they took our call in great numbers. According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders have used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. Young adults comprised more than 24% of the MHBE's total new enrollees, compared to 4% the year before. Young adults were more likely to pay their premiums and continue coverage.

It is important that Maryland continue this successful public health program. Many of our youth have been able to access health coverage through Maryland Health Connection for the first time. Others were able to upgrade to plans with lower deductibles and other cost-sharing, or were better able to afford their premiums.

This program has also been reducing racial and ethnic disparities within this age group. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13% more than any other population. This program is improving health equity in our state.

The subsidies program also is a good use of state dollars, as plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible. The average subsidy per household was \$35 per month, reducing average household premiums by 34%. Making coverage for young adults more affordable also helps to stabilize premiums within the market as a whole by bringing more healthy people into the market.

Finally, the timing of continuing this program is more important than ever because the federal health emergency is coming to an end this year, and many of our residents may experience a gap in insurance when they unwind from Medicaid. This program would help young adults be able to afford private insurance and maintain having coverage instead of falling through the cracks.

For all of these reasons, Anne Arundel County respectfully requests a **FAVORABLE** report on SB 601.

Stuart Pittman
County Executive

SB 601 Vincent DeMarco Favorable.pdf

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Position: FAV



TESTIMONY IN FAVOR OF SENATE BILL 601

**Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance
Subsidies Pilot Program – Sunset Repeal**

Before the Senate Finance Committee

By Vincent DeMarco, President, Maryland Health Care for All! Coalition

March 1, 2023

Chair Griffith and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 601. We especially thank Senator Feldman for sponsoring this critical legislation.

I am testifying on behalf of the [Maryland Health Care for All! Coalition](#) which is made up of over 300 faith, business, labor, community, and health care organizations across the state, and our mission is quality, affordable health care for all Marylanders. Under your leadership we have made great gains in Maryland. Over 400,000 Marylanders have enrolled in health coverage since the passage of the Affordable Care Act, cutting Maryland's uninsured rate in half. We could not have achieved this without innovative programs that your Committee has passed like the Easy Enrollment program and more recently the 2021 youth health coverage subsidies pilot program. The pilot invested up to \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. Senate Bill 601 would remove the sunset so that this successful program can continue to benefit young adults and Maryland as a whole.

Young adults are the age group most likely to be uninsured, and this program has made great strides in helping them gain coverage. According to Maryland Health Benefit Exchange (MHBE) in 2022 about 45,000 young Marylanders have used these subsidies to enroll in insurance coverage, including over 17,000 who were new to the marketplace. MHBE's new enrollees comprised of young adults increased from 4% to more than 24%. Young adults were more likely to pay their premiums and continue coverage. It is critical that this program continue to help young adults, many of whom have been able to access health coverage through Maryland Health Connection for the first time, while others already had coverage and were better able to afford their plans or upgrade to higher metal-level plans with lower cost-sharing. The federal health emergency coming to an end this year makes this program even more important so that young

adults unwinding from Medicaid can afford coverage in the individual market and not experience a gap in coverage.

This program has also been reducing racial and ethnic disparities within this age group. In 2022 young adult subsidy recipients were more likely to be Latino or Black than young adult enrollees ineligible for the subsidy. In 2023, Latino young adult enrollment grew 13%, more than any other population. This program is improving health equity in our state.

The subsidies program also is a good use of state dollars, as plans for young adults compared with other groups tend to cost less, which means that the dollars for the state subsidy program stretch further in covering as many uninsured individuals as possible. Making coverage for young adults more affordable also helps to stabilize premiums within the market as a whole by bringing more healthy people into the market.

Thanks to your leadership, Maryland has one of the top five health care systems in the entire nation. We must continue to move forwards, not slide backwards. For all these reasons, I urge a favorable report for SB 601.

2023 SB601 Written Testimony.pdf

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Position: UNF



Opposition Statement SB601

Maryland Health Benefit Exchange -
State-Based Young Adult Health Insurance Subsidies Pilot Program - Sunset Repeal
Deborah Brocato, Legislative Consultant
Maryland Right to Life

We oppose SB601

On behalf of our 200,000 followers across the state, Maryland Right to Life respectfully objects to SB601. We oppose the renewal of this program due to the increased funding of the abortion industry. Maryland Right to Life requests an amendment to exclude abortion funding and any abortion access from the application of this bill.

The Maryland Department of Health continues to fail pregnant women and girls in Maryland and appropriations would be withheld until the Department provides the annual report to the Centers for Disease Control to measure the number of abortions committed each year in Maryland, abortion reasons, funding sources and related health complications or injuries. The continuation of abortion funding without proper oversight is reckless and irresponsible.

- The Department routinely fails to enforce existing state health and safety regulations of abortion clinics, even after 2 women were near fatally injured in botched abortions.
- The Department has routinely failed to provide women with information and access to abortion alternatives, including the Maryland Safe Haven Program (see Department of Human Services), affordable adoption programs or referral to quality prenatal care and family planning services that do not promote abortion.
- The Department demonstrates systemic bias in favor of abortion providers, engaging in active partnerships with Planned Parenthood and other abortion organizations to implement public programs, curriculum and training.
- The Department is failing to protect women and girls from sexual abuse and sex trafficking by waiving reporting requirements for abortionists, waiving mandatory reporter requirements for abortionists, and failing to regulate abortion practices.
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The state is also neglecting the fact that as much as 65% of abortions are not by choice, but by coercion. The increasing use of the chemical abortion drugs is making coercion easier. Potential for misuse and coercion is high when there is no way to verify who is consuming the medication and whether they do so willingly. Sex traffickers and other abusers welcome the easy availability of chemical abortion drugs via telehealth.



Opposition Statement SB601 , page 2 of 2

Maryland Health Benefit Exchange -
State-Based Young Adult Health Insurance Subsidies Pilot Program - Sunset Repeal
Deborah Brocato, Legislative Consultant
Maryland Right to Life

The Abortion Care Access Act of 2022 took away any semblance of abortion as healthcare by removing the physician requirement. Abortion is not healthcare. Abortion is the violent destruction of a developing human being. Abortion always kills the unborn child and often causes physical and psychological injury to women and girls. Abortion exploits women and girls and enables sexual abusers and sex traffickers to continue their crimes and victimization. Abortion is the leading cause of death in the Black community, and is the greatest human and civil rights abuse of all time.

The 2023 Marist poll once again shows that the majority of Americans oppose taxpayer funding of abortion. 60% of Americans, pro-life and pro-choice, oppose taxpayer funding of abortion. 81% of Americans favor public funds being prioritized for health and family planning services which aim to save the lives of mothers and their children, including programs to improve pregnancy and delivery outcomes, well baby care, and parenting classes. Maryland needs to protect women and girls from the predatory practices of the abortion industry. Do not subject young women and girls to the dangers of the abortion industry. Maryland Right to Life urges the addition of an amendment to exclude abortion purposes, including the prescription and distribution of chemical abortion drugs from the application of this bill. If you cannot remove the expansion of abortion access, we ask you to allow this pilot program to end and reject the bill in its entirety.

Without exclusion of abortion service and abortion funding, we oppose **SB601**.