



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&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&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.

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