



TESTIMONY IN FAVOR OF HOUSE BILL 814

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

Before the House Health and Government Operations Committee

By Stephanie Klapper, Deputy Director, Maryland Health Care for All! Coalition

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Chair Peña-Melnyk and Members of the House HGO Committee, thank you for this opportunity to testify in support of House Bill 814. We especially thank Delegate Kerr 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. House Bill 814 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 HB 814.

