

March 16, 2023

To: The Honorable Joseline Peña-Melnyk, Chair, House Health & Government Operations Committee

Re: Letter of Information - House Bill 329- Public Health - Commission on Universal Health Care

Dear Chair Peña-Melnyk:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment on House Bill 329. Broad based, affordable, and comprehensive health insurance is integral to hospitals' ability to deliver high-quality care. It also is key to the state's success under the Total Cost of Care Model (Model), which holds hospitals accountable for whole-person care, including population health.

Maryland hospitals have been strong proponents of the state's efforts to expand health care coverage, including Medicaid expansion, subsidized individual, and small group health plans through the Maryland Health Benefit Exchange (MHBE) and the individual market reinsurance program.

We appreciate the General Assembly's leadership and commitment to ensure Marylanders have coverage and access to health care and look forward to continuing to work together to achieve this shared goal.

As a country and state, we have made major progress toward universal coverage. Approximately 1.4 million Marylanders are enrolled in Medicaid or a qualified health plan sold on the MHBE. More than 10,000 people gained health care coverage through the Easy Enrollment Program via MHBE. MHBE is also continuing its pilot program to reduce the cost of health insurance for young adults and make health care more affordable.

Maryland hospitals know firsthand the importance of broad based, continuous coverage and how critical it is for the success of the Model. Under the Model, our hospitals have lowered health care spending, while improving quality of care. <u>Maryland hospitals deliver savings for commercial health insurers</u>, and these savings could be better reflected in patients' premiums.

As you consider legislation, we encourage you to evaluate its relationship with the Total Cost of Care Model and the coverage initiatives already in place or set to begin in the state. The state is

<sup>3</sup> Ibid.

<sup>&</sup>lt;sup>1</sup> Maryland Health Benefit Exchange, Annual Report, 2022. <a href="www.marylandhbe.com/wp-content/uploads/2022/12/MHBE-2022-Annual-Report.pdf">www.marylandhbe.com/wp-content/uploads/2022/12/MHBE-2022-Annual-Report.pdf</a>

<sup>&</sup>lt;sup>2</sup> Ibid.

entering a renegotiation with our federal partners on the future of Maryland's hospital Model. These negotiations should include the role and alignment of payers outside of Medicare, including Medicaid, commercial insurers, and the role of providers outside of the hospital. We urge the state to be continuously mindful of its approach to maintain and increase access to health care coverage—the very foundation of our unique and respected health care delivery model.

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