



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

BILL: House Bill 814 - Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Repeal

SPONSOR: Delegates Kerr, *et al.*

HEARING DATE: February 23, 2023

COMMITTEE: Health and Government Operations

CONTACT: Intergovernmental Affairs Office, 301-780-8411

POSITION: SUPPORT

The Office of the Prince George's County Executive **SUPPORTS House Bill 814 - 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 **House Bill 814**, 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 **House Bill 814** 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, **House Bill 814** 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 **House Bill 814** 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 House Bill 814** 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"