



Testimony in SUPPORT of SB 705
Health Insurance - Qualified Resident Enrollment Program (Access to Care Act)
Position: Favorable

Senate Finance Committee

February 21, 2024

Dear Honorable Chair Beidle, and Members of the Committee,

Economic Action Maryland is pleased to provide testimony in support SB 705- Health Insurance - Qualified Resident Enrollment Program (Access to Care Act)

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

SB 705 addresses a critical healthcare coverage gap in our healthcare system by expanding the Affordable Care Act to all Marylanders, regardless of their immigration status, through the process of submitting a 1332 state innovation waiver. SB 705 represents an important milestone in our journey toward creating a more resilient healthcare system for all hard-working, taxpaying Marylanders.

This bill is about making sure that these hard-working, taxpaying Marylanders can have access to the Maryland Health Benefit Exchange and the opportunity to purchase health care insurance. This bill is a win-win. Reducing the number of uninsured individuals and families benefits not only their well-being but also the state as a whole. This is because it leads to cost savings in emergency room care, as people can afford more accessible preventive care.

The Affordable Care Act has allowed more than 28 million people across the country to gain access to affordable health care. In Maryland, since the establishment of the Maryland Health Benefit Exchange (MHBE) in 2011, which allows individuals and small businesses to purchase affordable health coverage, **our uninsured rate has almost decreased dramatically from 12% to 6%.¹**

¹ <https://www.americashealthrankings.org/explore/annual/measure/HealthInsurance/state/MD>



Although Maryland has taken bold steps to decrease the uninsured rate, a staggering 30% of the uninsured are denied healthcare coverage solely because of their immigration status. This systematic and structural inability to access routine, comprehensive, affordable care has led uninsured Marylanders to seek out the most expensive type of care there is: emergency departments. When individuals have access to primary care, it results in higher rates of early detection and better long-term management of chronic diseases and serious illnesses, a decrease in mortality rates, and an increase in overall healthier and wealthier communities.

Multiple states across the country have established comprehensive programs to extend coverage to immigrants regardless of their immigration status, and despite the profound cultural contributions immigrants make to the state, along with their essential role in the Maryland workforce and millions in contributions to society and the economy through federal, state, and local taxes - they are still ineligible for the Affordable Care Act.

Over the last several decades, the need for healthcare coverage has been a consistent priority for Maryland's immigrant community. Maryland has the fifth-highest percentage of the immigrant population and is home to the fourth-largest population of African immigrants. SB 705 is a crucial step in addressing access to care for all Marylanders.

SB 705 is not only critical legislation for our undocumented community, but it is also sound policy for the state. Firstly, this bill presents no fiscal burden on the state budget, and involved actors in the process, including MHBE, the Maryland Insurance Administration (MIA), the Maryland Hospital Association (MHA) have expressed strong support for the 1332 state innovation waiver and SB 705. MHBE has further expressed that the bill can be submitted and individuals enrolled with current resources, presenting no costs burdens to the state. Furthermore, having access to the individual marketplace and therefore, easier access to routine, primary care will result in a decrease in the number of emergency room visits by uninsured individuals, and would decrease uncompensated care costs. Uncompensated care costs ultimately affect everyone's insurance rates. The State is spending between \$120—170M per year in uncompensated care for emergency department services for residents who do not have insurance, and in some cases that is simply because they cannot easily purchase it. They end up in the emergency departments because they do not have access to primary or preventive health care. Lastly, our emergency department wait times are among the highest in the country—these could be significantly decreased by making sure that ALL our residents have access to preventive care.

Access to routine yearly checkups will ensure that our undocumented immigrant children, youth, and adults live better, healthier, and more productive lifestyles that ultimately make our communities more vibrant.



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This common-sense legislation is uncontentious and aligns Maryland with its values of protecting life and treating all people with dignity, respect, and care. For all of the reasons above, Economic Action Maryland urges a favorable report of Senate Bill 705.

Sincerely,
Zoe Gallagher, Policy Associate