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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB 728
Health Insurance - Qualified Resident Enrollment Program (Access to Care Act)**

Good afternoon, Chairman Peña-Melnyk and honorable members of the committee. Thank you for this opportunity to present HB 728 **Health Insurance - Qualified Resident Enrollment Program (Access to Care Act)**. This bill requires the Maryland Health Benefit Exchange and the Department of Health to seek a federal waiver that, when granted, would allow those who do not have current legal residency status to purchase health care programs on the Maryland Health Benefit Exchange (MHBE). This was initially prohibited under the Affordable Care Act, but states are now seeking ways to ensure that ALL residents have access to the navigation processes and plans available on the Exchange.

Given the programs we have put in place over the last several years, beginning with the establishment of a robust and comprehensive exchange marketplace, and adding the reinsurance, the “check the box”, young adult subsidy and the healthy babies’ programs, we have reduced the uninsured rate from 13 to 6% or about 350,000 residents. This bill creates another program to reach out to this group, about one-half whom do not have current legal residency status. It enables residents to use their earnings to pay for health care insurance. This is not only in the best interest of the individuals and families, but also in the best interest of the state.

State funds are SAVED with the bill, not spent. It is NOT free health care.

The language this year simply requires the MHBE to request a 1332 waiver from the federal government to allow all Maryland residents, regardless of immigration status, to purchase insurance on the Exchange, with the help of the navigators. Those services are essential to successful enrollment for those who may be unfamiliar with our complex insurance programs and laws, especially if English is not their first language. The Feds have already allowed this request to move forward in several states, so we know that they are supportive to expanding health care access.

Research completed by the Kaiser Family Foundation shows that the expansion of health coverage through the ACA improved not only access to care, but consequentially financial security, and health outcomes. This is particularly beneficial for children in immigrant families, who tend to be disproportionately uninsured.¹

Benefit to the Consumer:

If allowed to purchase a plan on the exchange, there is a great deal of navigational support that would enable them to compare insurance plans, usually in their own language, to find the one that meets the

¹ <https://www.kff.org/medicaid/report/building-on-the-evidence-base-studies-on-the-effects-of-medicaid-expansion-february-2020-to-march-2021/>

specific needs of their families. They would also have access to the technology that helps to understand the actual cost of the plan.

On the Exchange, these tax-paying residents would be able to purchase Value Plans that are offered by carriers, that are NOT available off Exchange.

Allowing folks to purchase health care on the Exchange allows them to take advantage of the competitive market. It also provides a sense of personal autonomy and self-responsibility.

Benefits to the State:

There is no cost to the State for this bill. We have been told that the Exchange can request the waiver and accept the payments of all residents with its current resources.

These individuals are paying unsubsidized premiums into plans on the Exchange, which helps to stabilize the rates for all who participate in Exchange market plans.

The larger the number of healthy people in the plans on the Exchange market reduces the actuarial risk and therefore maintains—or even lowers—premiums for everyone in those plans.

According to our hospitals, 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.

Uncompensated care costs ultimately affect everyone's insurance rates.

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.

Other Considerations:

It is difficult to determine how many individuals and families might take advantage of the ability to pay for insurance on the Exchange, but there are almost 90,000 residents who are working with an Individual Tax Identification Number (ITIN), who are earning money, paying Maryland and federal taxes, but are denied the benefits that their taxes are paying for, such as unemployment insurance, Social Security and access to affordable health care on the Exchange.

With this bill we go further in meeting our process for equity for all people who live, work, and pay taxes in Maryland. I respectfully request your favorable consideration.