



2024 SESSION
POSITION PAPER

BILL NO: HB 728

COMMITTEE: Health and Government Operations (HGO) Committee

POSITION: Support

TITLE: Health Insurance - Qualified Resident Enrollment Program (Access to Care Act)

BILL ANALYSIS

HB 728 - Health Insurance – Qualified Resident Enrollment Program (Access to Care Act) requires the Maryland Health Benefit Exchange (MHBE) to establish and implement the Qualified Resident Enrollment Program (Program) to facilitate the enrollment of qualified residents in qualified health plans. It also requires MHBE to apply for a federal 1332 waiver to allow non-citizen residents to purchase and enroll in Qualified Health Plans. The bill allows MHBE to delegate certain functions to a third party. Lastly, HB 728 provides that the implementation of the Program is contingent on approval of a certain waiver application amendment.

POSITION AND RATIONALE

The Maryland Health Care Commission (MHCC) supports HB 728 and believes that everyone should have access to health care regardless of citizen and residency status.

The Maryland Health Care Commission believes that all Maryland residents should have access to health care. With the passage of the Affordable Healthcare Act and the expansion of Medicaid, the number of uninsured individuals in the state has gone down. However, about 350,000 Marylanders (approximately 6 percent) are uninsured and that number has remained relatively stable over the last several years. Estimates by State Health Access Data Assistance Center (SHADAC), a Robert Wood Johnson Foundation funded program at the University of Minnesota estimates that over 75 percent of Maryland's uninsured are non-citizens. These individuals are currently ineligible for most Medicaid coverage and for private insurance coverage through the Maryland Health Benefit Exchange (MHBE). One way to ensure access is by allowing all Maryland residents, regardless of their immigration status, the opportunity to purchase health coverage through the MHBE. To be clear, this bill does not establish a subsidy program or guarantee free health care assistance using any State funds.

This legislation gives individuals who work and pay taxes in Maryland the ability to purchase affordable health insurance. While it is difficult to predict the number of non-citizens who will purchase from the MHBE, any reduction in the number of uninsured individuals is a benefit to all Marylanders. The individuals who become eligible through HB 728 would pay for their health insurance outright without a state subsidy. Lastly, evidence suggests that non-citizens are younger than the overall population. The more young healthy people enrolled in health plans, the better the actuarial risks for the entire population insured in the individual market, which lowers the premiums for everyone.

HB 728 requires MHBE to develop and apply for a State Innovation Waiver (also referred to as a 1332 Waiver). A 1332 waiver is the mechanism that Colorado and Washington state have used to expand insurance coverage, including federal premium support to residents without regard to immigration status. Maryland has previously used a 1332 waiver to establish its very successful reinsurance program that has stabilized premiums in the individual market. MHCC believes that a 1332 Waiver could be used again to expand coverage to all Marylanders without regard to immigration status.

For these reasons the Maryland Health Care Commission asks for a favorable report on HB 728.

