

**SB 611\_ FAV\_MFN\_Morrow\_Health Insurance.pdf**

Uploaded by: Beth Morrow

Position: FAV



**Testimony Concerning SB 611**  
**“Access to Health Insurance for Child Care Professionals - Outreach and Qualifying**  
**Nonprofit Satellite Organizations”**  
**Submitted to the Senate Budget and Taxation and**  
**Finance Committees**  
**March 5, 2025**

**Position: Support**

Maryland Family Network (MFN) supports SB 611, which would promote access to health insurance for child care professionals.

MFN has worked since 1945 to improve the availability and quality of child care and other supports for children and their families. We have been active in state and federal debates on policies that address the needs of working families and are strongly committed to ensuring that they have the supports they need to care for their children while meeting the demands of their jobs.

A healthy and stable child care workforce is critical to Maryland’s families and our economy. Low wages and lack of benefits impact a program’s ability to recruit and retain well-qualified staff. Health insurance coverage could support access to preventive care, decrease a caregiver’s time away from children, and help manage health related expenses.

Child care providers often work for small businesses or are self-employed. Many turn to their local Child Care Resource Center (CCRC) for training and support. The CCRCs stand ready to partner with the Maryland State Department of Education on outreach to promote access to health insurance for child care professionals.

Child care programs need to compete successfully in attracting and retaining qualified employees. Access to health insurance will be crucial to this effort. MFN respectfully urges a favorable report on SB 611.

**Submitted by** Beth Morrow, Director of Public Policy



# **SB 611 Access to Health Insurance CC final testimo**

Uploaded by: Christina Peusch

Position: FAV

# Maryland State Child Care Association

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## ***Caring For Maryland's Most Important Natural Resource™***

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*The Maryland State Child Care Association (MSCCA) is a non-profit, statewide, professional association incorporated in 1984 to promote the growth and development of child care and learning centers in Maryland. MSCCA has over 5500 members working in the field of child care/early childhood education. We believe children are our most important natural resource and work hard to advocate for children, families and for professionalism within the early childhood community.*

### **Testimony: SB 611: Access to Health Insurance for Child Care Professionals-Outreach and Qualifying Nonprofit Satellite Organizations Submitted to: Budget and Taxation Committee March 5, 2025**

MSCCA enthusiastically supports SB 611.

Health care benefits are critical for the early childhood education and care workforce because access to necessary medical treatment when needed, ensures the health and well-being of the essential child care professional workforce, which is vital for providing quality care to children. Child care businesses are declining in Maryland.

Health care and other benefits help to attract and retain employees in a field often plagued by low wages and high turnover rates; a healthy caregiver can better support the development of young children. SB 611 supports a collaborative approach to ensure outreach and opportunities for access to health insurance for child care professionals.

There are many positive outcomes to offering health care benefits for child care professionals in the workforce including, but not limited to:

1. **Reduced absenteeism:** Access to healthcare allows caregivers to address health issues in a time sensitive manner, minimizing time off work due to illness.
2. **Employee retention:** Offering health benefits can significantly improve staff retention by making the job more attractive and demonstrating that the employer values their well-being.
3. **Financial security:** Health insurance helps protect caregivers from high medical costs in case of unexpected illness or injury.
4. **Addressing workforce challenges:** The child care industry often struggles with low wages, which can make it difficult for workers to afford private health insurance.
5. **Child development impact:** Healthy caregivers are better equipped to provide quality care and support children's development, especially in the early years when interactions with adults are crucial.

Early childhood education and care professionals need access to affordable health care in order to realize their own best health and to best serve the children.

The child care workforce is primarily small businesses or self-employed in family child care homes owned and operated by women. Most of these small businesses and their employees lack access to affordable health care coverage options. According to Center for Law and Social Policy, *nationally, 16 percent of child care workers under age 65 are uninsured, compared to 13.3 percent among all uninsured adults under age 65. The rates of uninsurance*

*for child care workforce in the 12 states that have not yet expanded. Medicaid is almost three times as high (30.6 percent) as in expansion states (10.3 percent). This disproportionately affects women of color, as they comprise 40 percent of the early childhood workforce and are more likely to work in early childhood than the K-12 system.*

SB 611 is an innovative collaboration of support for access to health insurance, which will assist child care professionals and businesses navigate the options and opportunities that best fit the budget needs of the diverse workforce as it is difficult to compete as small business for health care benefits due to affordability and economies of scale.

Additionally and importantly, SB 611 expands qualifying non-profit organizations -satellite organizations with eligibility to participate in the State Employee and Retiree Health and Welfare benefits program to include child care provider that receives funds from local, state, or federal government that cover more than two thirds of the organizations operating expenses. This opens the door to pay fair share for state level benefits child care providers/programs could never afford otherwise.

Early childhood education and care professionals need access to affordable health care in order to realize their own best health and to best serve the children.

The Comptroller of Maryland's recent State of the Economy concludes, *Child care is a fragile market that requires government intervention to enable providers – often small businesses – to succeed and enable parents with young children to work. Child care challenges can create significant headwinds for equitable economic growth.*

SB 611 is a step in the right direction to addressing the workforce decline and compensation issues that impact small child care businesses by creating a collaboration, outreach, and equity model.

Maryland State Child Care Association requests a favorable report.

# **SEIU Local 500 Testimony on SB 611 - 2025.pdf**

Uploaded by: Christopher Cano

Position: FAV



Testimony - SB 611, Access to Health Insurance for Child Care Professionals –  
Outreach and Qualifying Nonprofit Satellite Organizations

Favorable

Senate Budget and Taxation Committee

March 5, 2025

Christopher C. Cano, MPA

Director of Political & Legislative Affairs on Behalf of SEIU Local 500

Honorable Chairman Guzzone & Members of the Senate Budget & Taxation Committee:

SEIU Local 500 represents over 23,000 workers across Maryland including family child care providers. Our members have a role in the lives of Marylanders from cradle to career. We wish to express our strong support for Maryland Senate Bill 611, which takes a crucial step toward improving access to health insurance for child care professionals across Maryland.

Child care providers play a vital role in our communities, nurturing and educating our youngest learners while enabling parents to participate in the workforce. Yet, despite their essential contributions, many child care professionals struggle to access affordable health insurance. SB 611 addresses this disparity by:

- Enhancing Outreach and Support – The bill requires the Maryland State Department of Education, in collaboration with the Maryland Health Benefit Exchange, to actively promote health insurance access for child care professionals. This outreach will connect providers with affordable coverage options through Medicaid and the Maryland Health Benefit Exchange, ensuring they do not fall through the cracks of the system.
- Expanding Eligibility for Health Benefits – By allowing child care providers that receive substantial government funding to participate in the State Employee and Retiree Health and Welfare Benefits Program as satellite organizations, SB 611 grants these professionals access to more stable and comprehensive health coverage options.

- Strengthening the Child Care Workforce – Providing affordable health insurance is not just a moral imperative—it is also an economic necessity. The child care industry is facing a workforce crisis, with many providers leaving the profession due to financial insecurity. Access to health insurance will help attract and retain qualified professionals, ensuring Maryland families have access to high-quality child care.

By passing SB 611, Maryland will take a significant step toward recognizing and valuing the dedication of child care professionals. This legislation aligns with the state's broader efforts to strengthen early childhood education and workforce development.

We urge the committee to issue a favorable report on SB 611 and thank Senator King for her leadership on this issue.

Thank you for your time and consideration.

Christopher C. Cano, MPA  
Director of Political & Legislative Affairs  
SEIU Local 500

**WDC testimony SB611.pdf**

Uploaded by: Cynthia Rubenstein

Position: FAV



MONTGOMERY COUNTY, MARYLAND  
WOMEN'S DEMOCRATIC CLUB

P.O. Box 34047, Bethesda, MD 20827

[www.womensdemocraticclub.org](http://www.womensdemocraticclub.org)

**Senate Bill SB611 Access to Health Insurance for Child Care Professionals – Outreach and Qualifying Nonprofit Satellite Organizations**

**Budget and Taxation – March 5, 2025  
SUPPORT**

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC) for the 2025 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges the passage of HB859. This bill will promote access to health insurance for childcare professionals and authorize a childcare provider that receives a certain amount of funding from a unit of state, local, or federal government to participate in the State Employee and Retiree Health and Welfare Benefits Program as a satellite organization.

Despite historic investments in childcare—with \$605 million invested in childcare scholarships during the first two years of the Moore-Miller administration—childcare in Maryland lags most of the nation. The Comptroller of Maryland's December 2024 State of the Economy Report, [Child Care and The Economy](#), paints a grim picture. Already high costs have continued to increase, and the cost of early care and education (ECE) is a heavy burden on Maryland's families. Childcare, when available, costs the average family more than 20% of their household income. According to the Comptroller, the average cost of care for a single infant equals 13% of the median income for married couples and 41% for single-parent families.

While the burden on families is great, the cost to ECE providers is equally unsustainable. Maryland continues to lose childcare providers; from February 2020 until October 2024 the number of licensed childcare providers in the state [dropped by more than 15%](#). As the costs of care stretch the means of most families, to stay in business, many childcare providers must pay early education professionals submarket wages. According to the Comptroller's report, the average wage for childcare workers is half the average wage of all workers in Maryland, and lower than that of most other service professionals.

Many childcare providers struggle to provide healthcare benefits to the ECE professionals who work for them. The professionals who care for others' children lack healthcare and the ability to provide benefits for their own children. Nationally, [only 20.7%](#) of childcare workers have employer-sponsored health care. And so, providers continue to leave the profession. It behooves us to stabilize the lives of caregivers and professionals while we work to create a sustainable care market.



MONTGOMERY COUNTY, MARYLAND  
WOMEN'S DEMOCRATIC CLUB

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Childcare is not scalable, and it is inherently expensive. It is also a social good; it is part of the “critical infrastructure” for families and vital to the functioning of our economy, in bad times as well as good times. We must determine how to fund childcare in a way that enables children, families and the economy to flourish and is sustainable for providers. In the meantime, we must keep more early care educators working in their profession and in the state. Promoting childcare professionals access to health insurance and enabling their participation in the State Employee and Retiree Health and Welfare Benefits Program will help stem the exodus of childcare professionals and help sustain some provider businesses.

**We ask for your support for HB859 and strongly urge a favorable Committee report.**

Tazeen Ahmad  
WDC President

Kate Stein  
WDC Children and Youth  
Subcommittee

Cynthia Rubenstein  
WDC Advocacy Chair

# **COA\_written testimony\_SB611 Access to Health Insur**

Uploaded by: Laura Jahromi

Position: FAV



March 3, 2025

## Testimony in Support of Senate Bill 611 – Access to Health Insurance for Child Care Professionals - Outreach and Qualifying Nonprofit Satellite Organizations

**We respectfully urge the Budget & Taxation Committee to make a favorable report on SB 611– Access to Health Insurance for Child Care Professionals** as we believe it will help improve the sustainability and quality of early care and education professionals – the workforce behind the workforce.

We are facing a critical shortage of educators in licensed early care and education (ECE) programs around the state. According to 2024 Early Childhood Workforce Index<sup>i</sup> from the Center for the Study of Child Care Employment, 98% of other jobs in the state of Maryland have higher wages than early childhood educators, resulting in a situation where 12.3% of the workforce lives in poverty, triple the rate of the average worker in Maryland, and 39% participated in public safety net programs at a cost of \$121,000,000 per year.

The child care industry is a fundamentally flawed business model, in which the true cost of providing quality services costs more than parents are able to pay for it. This results in extremely low wages for early childhood educators, constant stress and turnover in the industry, and lower quality of education programming, all of which impacts the critical early education children are able to receive and the ability of parents to remain in the labor force. It is an economic imperative to intervene with public support in order to address this dire situation.

The Access to Health Insurance for Child Care Professionals is one such systemic solution to provide more affordable access to health insurance for this critical workforce that will help to address the economic challenges their employers are facing and to improve recruitment retention of the workforce by providing more equitable benefits.

Submitted on behalf of the Children's Opportunity Alliance by

A handwritten signature in black ink, appearing to read "Laura Jahromi".

Laura Jahromi, Manager, Strategic Initiatives  
The Montgomery County Children's Opportunity Alliance  
1801 Rockville Pike, Rockville, MD 20852 | 301-450-1871 |  
[laura@mocochildren.org](mailto:laura@mocochildren.org)

The Montgomery County [Children's Opportunity Alliance](https://www.mocochildren.org) is a locally legislated Early Care and Education Coordinating Entity that connects our community to build an equitable, accessible, high-quality, and sustainable early childhood system that narrows disparities and puts young children on a path to reach their greatest potential.

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<sup>i</sup> <https://cscce.berkeley.edu/workforce-index-2024/states/maryland/>



**final Senate Bill 611.pdf**

Uploaded by: RUBY DANIELS

Position: FAV



**Maryland State  
Family Child Care  
Association**  
www.msfccca.org

Written Testimony in Support of Senate Bill 611  
Access to Health Insurance for Child Care Professionals – Outreach and 2 Qualifying Nonprofit  
Satellite Organizations  
March 05, 2025

**Position: Favorable**

Chair Guzzone, Vice Chair Rosapepe and Members of the Budget and Taxation Committee,

My name is Ruby Daniels, and I serve as the President of the Maryland State Family Child Care Association (MSFCCA), representing over 4,000 family childcare providers across the state. I am also a family childcare provider, a second-year Pre-K Expansion grantee, and the Chair of the Pillar 1 Advisory Committee to the Accountability and Implementation Board. Today, I submit this testimony in strong support of Senate Bill 611, which seeks to promote access to health insurance for childcare professionals and allow qualifying childcare providers to participate in the State Employee and Retiree Health and Welfare Benefits Program as a satellite organization.

The family childcare workforce plays a critical role in Maryland's early childhood education system, providing high-quality, individualized care in a home-based setting for thousands of children. However, the vast majority of family childcare providers are sole proprietors, operating independently without the benefit of employer-sponsored health insurance or access to affordable healthcare coverage. This lack of access places providers in an untenable position—caring for children while often neglecting their own health due to cost barriers. Many providers delay medical care, forego essential treatments, or struggle to afford the premiums and out-of-pocket expenses of individual health insurance plans.

Senate Bill 611 addresses this longstanding inequity by ensuring that childcare professionals are better informed about available health coverage options and have increased access to affordable insurance through the Maryland Health Benefit Exchange or Medicaid. Importantly, this bill also permits childcare providers receiving state, local, or federal funding to participate in the State Employee and Retiree Health and Welfare Benefits Program as a satellite organization. This would provide a long-overdue opportunity for childcare providers to access comprehensive health benefits at a more reasonable cost.

By supporting this legislation, the Maryland General Assembly can take a significant step toward stabilizing the family childcare workforce, improving provider retention, and ultimately ensuring that children and families receive consistent, high-quality early education and care. Without action, the financial burden of securing health insurance will continue to drive dedicated providers out of the field, exacerbating the ongoing childcare crisis in our state. Many will continue to leave the profession leaving many working families without childcare.



**Maryland State  
Family Child Care  
Association**

[www.msfcga.org](http://www.msfcga.org)

I urge the committee to give Senate Bill 611 a favorable report. Thank you for your time and commitment to the well-being of Maryland's childcare professionals and the families they serve.

Respectfully submitted,

Ruby Daniels

President, Maryland State Family Child Care Association

Family Child Care Provider

Pre-K Expansion Grantee

Chair, Pillar 1 Advisory Committee, Accountability, and Implementation Board

# **SB611-King-Sponsor Testimony.pdf**

Uploaded by: Senator Nancy King

Position: FAV

NANCY J. KING  
Legislative District 39  
Montgomery County

MAJORITY LEADER

Budget and Taxation Committee

*Chair*

Education, Business, and  
Administration Subcommittee



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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**Senate Bill 611 – Access to Health Insurance for Child Care Professional**

March 5, 2025

Mister Chairman and Members of the Budget and Taxation Committee:

In a December 2024 report by the Comptroller of Maryland entitled *STATE OF THE ECONOMY SERIES: CHILD CARE AND THE ECONOMY*, Comptroller Lierman wrote, “The US Treasury Department has called the nation’s child care system a “market failure” because parents are required to pay out-of-pocket for the cost of care in order to work, but the cost of providing high-quality care is more expensive than many parents can afford. Government intervention is necessary to address market failures. As state leaders, we must do all we can to ensure that parents, especially those with young children, have affordable and accessible childcare options and the opportunity to fully participate in the labor force.”

The Comptroller’s report also noted that Maryland has experienced a 15.5% decline in licensed childcare providers and a 5.5% decline in overall childcare capacity in just the past few years. Home-based childcare providers have experienced the most significant declines in that span, with a net loss of over 1,000 registered providers for an overall rate of decline of 21.6%.

The report went on to say, that with respect to Childcare Workers:

- Wages are low and benefits are rarely offered.
- Significantly more experience and training are required to become a licensed childcare worker than other similarly paid positions in sectors such as retail, hospitality, and warehousing.
- In Maryland, where there are more job openings per job seeker than in surrounding states and the U.S., there are more alternative jobs and career paths for prospective childcare workers to pursue.

Senate Bill 611 seeks to help stabilize and strengthen the childcare workforce by:

- Allowing non-profit childcare providers who receive more than two thirds of their operating budget from local, state or federal governments to participate and enroll their employees in the state health insurance plan, including medical, dental, and prescription coverage.

- Requiring Maryland State Department of Education to work with the Maryland Health Benefit Exchange to promote access to health insurance for childcare professionals by partnering with the PreK provider Hubs, Child Care Associations, and relevant nonprofit organizations to:
  - Help childcare professional obtain insurance coverage through the Benefits Exchange;
  - Help those who are eligible enroll in Medicaid or for those who lose Medicaid, transition to other health insurance options;
  - Help ensure health plan options meet the budget and coverage needs of childcare professionals; and
  - Provide information, resources, or additional support as needed for childcare professionals in need of insurance.

The need for safe, quality childcare is more important than ever to build our economy by allowing parents to enter or return to the workforce and by promoting childcare businesses. This legislation will strengthen our childcare delivery system by enhancing the health and financial security of childcare professionals which will in turn aid in the hiring and retention of high-quality staff and ensure a more sustainable future for childcare in Maryland.

I respectfully request a favorable report on Senate Bill 611.

**SB0611- State Board- SWA.pdf**

Uploaded by: Carey Wright

Position: FWA

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**TO:** Budget and Taxation Committee

**BILL:** SB 611 - Access to Health Insurance for Child Care Professionals - Outreach and Qualifying Nonprofit Satellite Organizations

**DATE:** March 3, 2025

**POSITION:** Letter of Support with Amendments

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The Maryland State Department of Education (MSDE) and the State Board of Education support Senate Bill (SB) 611 - Access to Health Insurance for Child Care Professionals - Outreach and Qualifying Nonprofit Satellite Organizations with amendments. This legislation proposes to require MSDE to collaborate with the Maryland Health Benefit Exchange in promoting health insurance access for child care professionals, while also allowing qualifying child care providers who receive state, local, or federal funding to participate in the State Employee and Retiree Health and Welfare Benefits Program as satellite organizations.

The child care workforce plays an essential role in Maryland’s education system and economy, yet many child care providers receive relatively low wages and limited benefits, which can make affordable health insurance difficult to obtain. Lack of coverage affects not only their personal wellbeing but also impacts workforce retention and the stability of Maryland’s child care system. When child care workers struggle to access basic health services, the resulting stress and financial strain can negatively impact the quality of child care throughout the state.

By creating pathways for affordable health coverage, SB 611 would help stabilize the workforce, which in turn benefits child care providers and businesses. Better access to insurance can reduce staff turnover, support continuity of care for children, and enhance the reputation of the child care sector as a viable and supportive field of employment. Additionally, healthier and more financially secure employees are likely to remain in the profession, thereby mitigating the critical problem of workforce shortages.

MSDE supports broadening health care access for child care professionals and recognizes the benefit of partnering with the Maryland Health Benefit Exchange to conduct outreach and promote enrollment in health insurance plans. MSDE’s longstanding relationships with child care providers can help ensure information about available coverage options reaches those who need it most.

However, while the agency stands ready to assist with outreach, MSDE’s core expertise lies in educational policy and administration. In summary, MSDE is well-positioned to inform and notify child care professionals about where to explore available health care options, but the agency is not suited to provide specialized technical assistance with selecting specific health plans. Such guidance is more effectively offered by the Health Benefit Exchange or other entities with expertise in evaluating health

insurance plans and ensuring proper enrollment. MSDE should not be listed as an agency responsible for assisting individuals with finding insurance or addressing a gap in insurance coverage.

We request that the committee consider this information as it deliberates **SB 611**. Please contact Dr. Akilah Alleyne, Executive Director of Government Affairs, [Akilah.alleyne@maryland.gov](mailto:Akilah.alleyne@maryland.gov) or at 410-767-0504, if you would like any additional information.

**SB0611 Letter of Opposition 2025 DBM.docx.pdf**

Uploaded by: Dana Phillips

Position: UNF



**Maryland**

DEPARTMENT OF BUDGET  
AND MANAGEMENT

WES MOORE  
*Governor*

ARUNA MILLER  
*Lieutenant Governor*

HELENE GRADY  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

## **SENATE BILL 611 – Access to Health Insurance for Child Care Professionals – Outreach and Qualifying Nonprofit Satellite Organizations**

**DATE: March 5th, 2024**

**COMMITTEE: Budget and Taxation**

### **SUMMARY OF BILL:**

SB 611 seeks to promote access to health insurance for childcare professionals and providers that receive funds from a unit of state, local, or federal government that covers more than two-thirds of an organization's operating expenses. It proposes allowing such entities to participate in the State Employee and Retiree Health and Welfare Benefits Program (Program) as satellite organizations. Allowing these providers to join the State's Program puts the Program's governmental plan status at risk; the loss of governmental plan status under federal law would, in turn, make the Program subject to numerous federal requirements and likely increase costs to members significantly.

Under federal law, only the employees of a governmental employer are eligible to participate in a governmental plan, such as the Program. Allowing non-governmental employees to participate places the Program at risk of losing its governmental plan status under the Code and its exemption from significant requirements of ERISA.

### **EXPLANATION:**

Under Internal Revenue Code ("Code") Section 414(d), the term governmental plan means "a plan established and maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of the foregoing." Currently, there are no regulations which interpret Code Section 414(d). However, on November 7, 2011, the Department of Treasury issued an Advance Notice of Proposed Rulemaking ("ANPRM") on the Code definition of governmental plan. Subsequently, the IRS released Notice 2015-07 which provided an update as to the guidance under consideration, specifically in the context of public charter schools.

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<http://dbm.maryland.gov>

Section 414(d) contemplates five separate definitions for a governmental employer: (i) the United States, (ii) an agency or instrumentality of the United States, (iii) a State, (iv) a State political subdivision, and (v) an agency or instrumentality of the State or a State political subdivision. For purposes of this analysis, we address the fifth definition – whether childcare facilities receiving two thirds of their fund from state or federal sources meet the definition of an agency or instrumentality of the State.

This is determined by analyzing the following five main factors:

1. Control of Governing Body
2. Public Election of Governing Body
3. Fiscal Responsibility
4. Treatment of Employees as Public Employees
5. Delegated Sovereign Powers

There are eight additional factors which may also be considered:

1. Operational Control
2. Direct Funding
3. Specific Enabling Law
4. Treatment as Governmental Entity for Federal Tax Purposes
5. Treatment under State Law
6. Court Decisions
7. No Private Interest
8. Governmental Purpose

While there is no "bright-line" test in this regard, our initial reading of SB 611 leads us to believe that the addition of childcare providers that receive funds from a unit of state, local or federal government that cover more than two-thirds of the organization's operating expenses does not meet the requirements in this area. In fact, it appears that only one of the additional factors (direct funding) could even conceivably be applicable in the context of SB 611.

### **Other Considerations**

- States value the benefits and flexibility afforded by governmental plan status and consistently and deliberately choose to protect that status.
- Significant potential negative consequences and uncertainties associated with losing government plan status including:
  - Onerous and costly reporting, disclosure and administrative requirements
    - Annual filing of Form 5500
    - Summary of Material Modifications
    - Summary Plan Description
    - Satisfy ERISA fiduciary rules - A Fiduciary breach may result in monetary penalties and criminal prosecution for willful violations or extensive retroactive claims adjudication
  - Follow ERISA's rules relating to plan communications restricting electronic communications
  - Certain State plan employers could be subject to small group market rules
  - The Program could be subject to State MEWA licensure requirements including capital and surplus requirements
- Exemption from Title I of the Employee Retirement Income Security Act (ERISA) which requires additional coordination to ensure compliance with Title I, the Code and any applicable

State law. Governmental plans are exempt from certain excise taxes that are applicable to private sector plans. Some excise taxes include the Affordable Care Act (ACA), the Health Insurance Portability and Accountability Act (HIPAA) and the requirement of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

A childcare provider whose only connection with a government is its funding status would not constitute a governmental entity that could participate in the Program without compromising the Program's governmental plan status. As such, we deem that SB 611 threatens the Program's status as a governmental plan. It is imperative that the Program maintain its governmental status due to the considerable benefits that are entailed in such status.

**For additional information, contact Dana Phillips at  
(410) 260-6068 or [dana.phillips@maryland.gov](mailto:dana.phillips@maryland.gov)**

**SB 611 - MHBE - B&T - LOI.pdf**

Uploaded by: State of Maryland (MD)

Position: INFO

March 5, 2025

The Honorable Guy Guzzone  
Chair, Senate Budget and Taxation Committee  
3 West Mill Senate Office Building  
11 Bladen St.  
Annapolis, MD 21401

**Re: Letter of Information - SB 611 - Access to Health Insurance for Child Care Professionals - Outreach and Qualifying Nonprofit Satellite Organizations**

Dear Chair Guzzone and Members of the Senate Budget and Taxation Committee,

The Maryland Health Benefit Exchange (MHBE) respectfully submits this letter of information for Senate Bill (SB) 611 - Access to Health Insurance for Child Care Professionals - Outreach and Qualifying Nonprofit Satellite Organizations. SB 611 would require the State Department of Education, in collaboration with MHBE, to promote access to health coverage for childcare professionals through targeted outreach and enrollment support. MHBE is supportive of initiatives that seek to increase access to health coverage in Maryland, and our staff have the capacity to consult with the Department of Education and share existing resources to assist in these efforts. We would advise that any expectations beyond this are not currently included or available under MHBE's existing budget.

MHBE is Maryland's state-designated health insurance marketplace, responsible for the administration of the marketplace enrollment platform Maryland Health Connection (MHC) where residents can shop for and enroll in health plans, compare rates, and determine eligibility for public assistance all in one place. Maryland has an integrated enrollment system with the state's Medicaid program, so in addition to private marketplace plans, MHC also processes and provides consumer support for the majority of Medicaid eligibility determinations and enrollments in the state.

MHBE currently provides extensive consumer support to assist individuals and families with determining program eligibility, health plan selection, and enrollment, including the:

- MHC Call Center, which provides consumer support 6 days a week in more than 200 languages
- Trained Navigators and MHC-authorized brokers, who provide free in-person and virtual assistance throughout the state to help consumers learn about, apply for and enroll in health coverage.

MHBE conducts robust marketing and outreach campaigns and has included child care professionals as a critical group to conduct targeted outreach for, including speaking at statewide child care conferences and messaging campaigns geared specifically towards child care providers. MHBE also has comprehensive consumer resources and fact sheets, all of which are readily available and can be shared with the Department of Education in these efforts.



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Baltimore, MD 21202  
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For further discussions or questions on SB 611, please contact Johanna Fabian-Marks, Director of Policy and Plan Management at [johanna.fabian-marks@maryland.gov](mailto:johanna.fabian-marks@maryland.gov).

Sincerely,

A handwritten signature in black ink that reads "Michele Eberle".

Michele Eberle  
Executive Director