

Committee:	Senate Finance Committee
Bill:	Senate Bill 848 – Public Health – Abortion Grant Program - Establishment
Hearing Date:	March 6, 2025
Position:	Support

The Women's Law Center of Maryland strongly supports *Senate Bill 848 – Public Health – Abortion Grant Program - Establishment*. The bill establishes the Public Health Abortion Grant and identifies a sustainable funding source through unspent insurance premiums for abortion coverage.

The Need for Sustainable Resources for Equitable Abortion Access

The right to reproductive freedom is protected in Maryland's Constitution, as a result of 76% of Maryland voters supporting Question 1 in November 2024. However, the legal right to abortion care does not equate to access. People with limited resources still struggle with accessing abortion care. Unlike other kinds of women's health services – including family planning and cancer screening, there are no public health grant programs that support abortion care. This lack of resources is a legacy of the federal Hyde amendment which prevents the use of federal dollars to support abortion care.

SB 848 addresses this long-standing equity by creating a public health program to support abortion care for uninsured and underinsured people. The bill explicitly recognizes that even some fully insured individuals may need support, as some people cannot use their insurance for abortion care as their safety could be at risk if a family member received an explanation of benefits for the care.

Following the *Dobbs* decision, many states – including California, Massachusetts, New Jersey, New York, and Oregon - allocated emergency funding to address the immediate impact

on abortion care access in their states. With almost half the state attempting abortion bans and federal restrictions looming on the landscape, we need to identify long-term grant funding to sustain abortion access in Maryland. We can no longer rely on charitable donations as those resources are spread too thin. Some providers have reported that they have seen a 50% reduction in charitable support now that we are over two years beyond the *Dobbs* decision.

We are deeply concerned about the impact of reduced resources on abortion access in Maryland:

- Providers have reported that they may need to reduce their hours or even consider closing. We already have too few providers, particularly in rural communities.
- Abortion funds, which are organizations that provide funding support for abortion care, have reduced hours, meaning they are turning people away for support of abortion care and travel costs. The abortion funds do not have the resources to determine what happened to the people they turned away; and
- Patients are having to choose medication abortion even if they prefer procedural care because it is less expensive.

These access problems are going to become more severe as the reproductive health landscape becomes even more tumultuous.

Maryland Has Identified a Sustainable Funding Source for Public Health Abortion Grants

Under federal law requires, qualified health plans (also known as Exchange plans) must charge \$1 per month for abortion coverage for every insured individual. The insurers must keep track of the collection and expenditure of these premium dollars in a separate account, called a segregated account under Section 1303.

Under federal law, funds in segregated funds cannot be used for any purpose other than abortion care. This condition has been imposed to ensure that no federal funds are being used to support abortion coverage. Since the actuarial value of abortion coverage is far under \$1 per member per month, the segregated accounts have surpluses. According to annual reports by the Maryland Insurance Administration, insurers have an average of almost \$3 million in unspent abortion premiums each year which has resulted in accrued 11-year fund balance of

approximately \$25 million in December 2024 . HB 930 taps into these unspent funds to provide a sustainable funding source for the Public Health Abortion Grant Fund. The Insurance Commissioner would move 90% of unspent funds to the Public Health Abortion Fund under the Department of Health.

Maryland Department of Health Can Support Equitable Access with Public Health Abortion Grants

SB 848 establishes the Public Health Abortion Grant Fund under the Maryland Department of Health. The Department would administer the program, similar to other public health grants for healthcare services. The Department would be required to use the majority of funds to provide grants to healthcare providers and abortion funds to pay for the cost of abortion clinical services for people who are: 1) uninsured; 2) underinsured; or 3) too afraid to use their insurance for fear of an explanation of benefits being sent home.

The Governor is required to appropriate \$2 million for the first year to support start-up of the program in fiscal 2026 and then approximately \$3 million a year after that. If more funding is needed, there will be reserves in the Public Health Abortion Grant Fund because of the accrued surplus of approximately \$25 million from 1303 accounts between 2014 and 2024.

Conclusion

We ask for a favorable report of SB 848. Please contact Robyn Elliott for any additional information at relliott@policypartners.net.

The Women's Law Center of Maryland is a private, non-profit, legal services organization that serves as a leading voice for justice and fairness for women. It advocates for the rights of women through legal assistance to individuals and strategic initiatives to achieve systemic change, working to ensure physical safety, economic security, and bodily autonomy for women in Maryland.