



**TESTIMONY TO THE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE**

**HB 936: Health Insurance- Cancellation and Nonrenewal of Coverage- Required Notice**

**POSITION: Support**

**BY: Linda Kohn, President**

**DATE: February 20, 2025**

**The League of Women Voters believes that every Maryland resident should have access to affordable, equitable, quality health care. The League also has a history of lobbying in strong support of patient rights, to reduce the vulnerabilities and uncertainties patients can experience in the medical system.**

Our current healthcare delivery and reimbursement system has three components. On the one hand are the medical practitioners and support staff who deliver hands-on care. On the other are the governmental and non-governmental entities that evaluate and pay for that care. **In the middle are the patients. And while patients' health and well-being are clearly affected by the medical care they receive, they can also be adversely affected by the business practices of the entities paying their medical bills.**

Prior to passage of the ACA in 2010, people working for small businesses (those with less than 50 employees) were more likely to be uninsured than those working for larger companies<sup>1</sup>, due to the higher costs of that coverage, including regular double-digit annual increases in health care premiums.<sup>2</sup> Passage of the ACA enabled more small businesses to offer affordable health coverage to their employees through a small group market health benefit plan. However, if a carrier decides to cancel or not renew that coverage, it can force an enrolled employee or family member to abruptly change, delay, or terminate ongoing medical treatment.

Passage of House Bill 936 would mandate that an insurance carrier provide formal written and electronic notice to each affected employer and employee at least 90 days before the date of a nonrenewal, and also provide information on COBRA and on other health plans provided through the Health Benefit Exchange. **This would help to protect continuity of patient care by giving employees a better chance to research their choices and determine what would work best for their families. The League of Women Voters Maryland urges a favorable report on House Bill 936.**

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<sup>1</sup> <https://www.commonwealthfund.org/publications/issue-briefs/2018/oct/affordable-care-act-impact-small-business>

<sup>2</sup> Ibid