

March 11, 2025  
Delegate Joseline A. Pena-Melnyk  
Chair, Health and Government Operations Committee  
240 Taylor House Office Building  
Annapolis, Maryland 21401

**Re: Public Testimony in SUPPORT of HB 1439, “The Better Small Business Employee Benefit Act of 2025”.**

Dear Chair Pena-Melnyk and Chair Wilson,

I would like to thank you for the opportunity to comment on legislation under consideration by the Health and Government Operations and Economic Matters Committees, The Better Small Business Employee Benefit Act of 2025, HB 1439.

My name is Ari Wind, and I have worked for BenefitMall for 25 years. BenefitMall is dedicated to the health insurance broker community, leveraging our deep industry expertise, extensive carrier partner network, and cutting-edge digital technology. Our mission is to provide the fastest, easiest and most trusted benefits experience. We have 27 offices nationwide, 200+ carrier partners, \$8.3 billion annual in-force premiums, 200,000+ trusted broker partners, and serve 200,000 small businesses. Though we work in all 50 states, we also have a local office located in Towson, MD.

Over the last decade, my primary responsibility has been managing relationships with PEOs for BenefitMall. To this point, I have worked with many PEOs across approximately 30 different states. When I first started working with PEOs, I, like many others, was unaware of the scope of benefits and services PEOs offer to small businesses, as well as their positive working relationship with brokers. I learned quickly that their business model yields results I hadn't considered, including providing the infrastructure for long-term cost containment and growth of the small business. By taking regulatory and administrative compliance burdens off the plate of their clients, PEOs allow businesses to focus on productivity to meet their core goals and succeed. It has been my experience that businesses that use a PEO grow faster, retain employees at higher rates, and enable businesses to provide their employees with robust benefits that meet their family's needs. Finally, I have witnessed how the PEO industry has changed over time. PEOs have sought meaningful and transparent regulations to provide clarity and protect small businesses and consumers.

Having worked in the benefits world for decades, I know how important it is for Marylanders to have access to high-quality and affordable health insurance. Considering that the Maryland small group market has consistently seen rate increases, with expectations for this trend to continue,

expanding access to affordable, high-quality group insurance plans sponsored by PEOs will help small businesses and their employees. High deductibles and increased prescription costs mean current insurance offerings are becoming unaffordable for Marylanders. I believe one of the reasons for the decline in the number of individuals insured in the Maryland small group market is that they cannot afford these premiums.

The Better Small Business Employee Benefit Act of 2025 will be another benefit option, not a mandate, in the shrinking Maryland marketplace for employees and employers. For small businesses, the backbone of the economy, the ability to attract and retain employees can sometimes come down to benefits, especially when having to compete with larger employers who have advantages of economies of scale and negotiation power. PEO plans often have lower deductibles and better prescription drug terms. Ultimately, by allowing Maryland small businesses access to PEO-sponsored health plans you are giving employers and employees more choice to find a plan that fits their needs and goals.

I also want to note that many PEOs work together with brokers. I work with both parties (the small business and the PEO) as every small business has different needs, but I can say PEOs work with brokers to manage the risk pool and provide these valuable services in all the states I work in. At BenefitMall we have been lasered focused on educating both brokers and consumers on the rules, responsibilities, and benefits of using a PEO. With so few solutions in the small group marketplace, PEOs allow the brokers to offer alternatives to their clients and have a diversification of their clients. Through the PEO model, brokers can continue to be trusted advisors to their clients. I have witnessed PEOs, insurance carriers, and brokers work together on behalf of the consumer to help both the business and their employees find appropriate solutions when it makes sense and is the right fit for all parties.

Finally, throughout this process I have heard others' concerns about PEOs and "bundled pricing". I can tell you from my experience that every PEO we've worked with provides transparency in this regard. The consumer knows exactly what they're paying for their medical premiums. They know what they're paying in taxes, workers' compensation, and in administrative fees (which are the fees the PEO charges for its services).

This legislation provides Marylanders with more benefit options (which is what they need) and promotes a robust small business community that can attract and retain employees.

Thank you for your time this morning and your consideration of my support.

Respectfully submitted,  
Ari Wind  
Benefits Sale Executive, PEO Division

