HEALTH CARE FOR THE HOMELESS TESTIMONY
FAVORABLE
SB 987 – Corporate Income Tax - Addition Modification - Direct-to-Consumer Pharmaceutical Advertising

Senate Budget and Taxation Committee
March 11, 2026

Health Care for the Homeless supports SB 987 as a tool to generate revenue that would support Maryland Medicaid eligibility operations needed to combat federal attacks on access to Medicaid.

As Maryland's leading provider of integrated health services and supportive housing for individuals and families experiencing homelessness, Health Care for the Homeless knows that Medicaid is a vitally important health insurance program for our patients and their health care providers. In 2023, over half (55%) of nearly 1 million patients in the national Health Care for the Homeless community were insured through Medicaid, numbers that approximately reflect Health Care for the Homeless in Baltimore.[1]

Now, major federal policy changes are now threatening access to this essential care at risk for thousands of Marylanders. About 130,000 people across the state are expected to lose their Medicaid coverage because of H.R. 1, not because they are no longer eligible, but because of new administrative barriers designed to cause people to fall through the cracks. Adding work requirements to the Medicaid program, as contemplated by H.R. 1, will reduce health care coverage and serious harm to people experiencing homelessness and the health care providers who care for them.[2] Medicaid work requirements have already been shown to be expensive to administer, hard to prove, and ineffective at increasing employment. While over half of people experiencing homelessness are working, it's hard to prove you are working to qualify for ongoing coverage. This is even more difficult when work hours must be documented each and every month—an even higher burden for individuals with limited phone or internet access. This is precisely why H.R. 1 specified work requirements as the policy that could most effectively eviscerate the ability for people to maintain their Medicaid coverage.

For the first time, many Marylanders will be saddled with the burden of redetermination every 6 months, complicated further by navigating brand new barriers of work requirements and exemptions. It is inconceivable that Marylanders will be able to navigate an extremely complicated, burdensome, and new system without the assistance of dedicated navigators at the local level. As such, we urge

[1] *See* National Health Care for the Homeless, *Impact of Medicaid Work Requirements for Unhoused People* (Feb. 2025), *available at* https://nhchc.org/resource/impact-of-medicaid-work-requirements-for-unhoused-people/ (authored by Barbara DiPietro). Since the Affordable Care Act expanded Medicaid in 2013, the rate of uninsured patients at Health Care for the Homeless programs in expansion states has dropped by more than half - from 51% in 2013 to 21% in 2023. *Id*.

[2] *Id.*

the legislature to dedicate an additional $8 million for an additional 100 local navigator positions, which will be critical in helping Marylanders navigate the complicated and burdensome administrative processes that we know are inevitable as a result of H.R. 1.

The proposed FY 2027 budget makes necessary investments in Medicaid's operations that minimizes disenrollment, namely through the expansion of Medicaid's automatic enrollment system. However, despite Medicaid staff working tirelessly to maximize the functionality of automatic enrollment, these systems cannot prevent the disenrollment of the entirety of the estimated 130,000 Marylanders expected to lose coverage. For those Marylanders who aren't automatically re-enrolled, their Medicaid applications will generally be sent to local health departments, leaving the staff at those local departments to help Marylanders complete their applications – every 6 months. Local health departments do not have the staffing for the number of navigators necessary to meet the demand needed to ensure Marylanders maintain the Medicaid coverage to which they are entitled.

The Maryland General Assembly has made tremendous progress in expanding Medicaid programs that have been transformative for Maryland's most vulnerable residents. For instance, just last year, the General Assembly expanded the Medicaid supportive housing waiver, which has been proven to improve health outcomes and save the State money.[3] In addition, the Maryland General Assembly has passed legislation that created a full adult dental Medicaid benefit, enabled Medicaid coverage for all people who are pregnant and post-partum regardless of immigration status through the Health Babies Equity Act, and affirmed the basic health needs of our transgender Marylanders through the Trans Health Equity Act. All of the tremendous work this body has done in recent years is at risk without more resources to help Marylanders navigate the upcoming H.R. 1 Medicaid requirements. The General Assembly has rightly declared that, as a matter of public policy, Medicaid is of vital importance for Maryland's most vulnerable populations. We cannot go back and erase the hard work of the legislature.

Given that we urge this body for additional funds to invest in local navigators, we support this bill as a mechanism to generate the revenue needed to help meet this specific request. SB 987 specifies that the first $5,000,000 generated by the bill go "to the Maryland Department of Health to be used for Medicaid eligibility operations." With the budget deficit that the State faces, this bill offers a reasonable solution to both support the most vulnerable Marylanders who will need to navigate this purposely burdensome process without increasing the budget deficit. Without such investments, all Marylanders will pay the consequences through the rising costs of emergency room visits, hospitalization, mental health care, homelessness, and joblessness. We urge this Committee to pass this bill as a tool that responds to H.R. 1's harmful requirements.

Health Care for the Homeless is Maryland's leading provider of integrated health services and supportive housing for individuals and families experiencing homelessness. We deliver medical care, mental health services, state-certified addiction treatment, dental care, social services, housing support services, and housing for over 11,000 Marylanders annually at sites in Baltimore City and Baltimore County.
Our Vision: Everyone is healthy and has a safe home in a just and respectful community.
Our Mission: We work to end homelessness through racially equitable health care, housing and advocacy in partnership with those of us who have experienced it.

For more information, visit www.hchmd.org.

[3] A 5-year study from the Hilltop Institute on the ACIS program reported very compelling results on the success of the program. See The Hilltop Institute UMBC, *Summary Report: Assistance in Community Integration Services (ACIS) Program Assessment, CY 2018 to CY 2021* (Sept. 15, 2023), *available at* Summary Report: ACIS Program Assessment (hilltopinstitute.org).