



Maryland
Hospital Association

January 20, 2021

To: The Honorable Delores G. Kelley, Chair, Senate Finance Committee

Re: Letter of Support- Senate Bill 290- Health Insurance - Out-of-Pocket Maximums and Cost-Sharing Requirements - Calculation

Dear Chair Kelley:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 290.

Broad based, affordable and comprehensive health insurance is integral to hospitals' ability to provide high-quality care. It also is key to the state's success under the Total Cost of Care Model, which pushes accountability for whole-person care, including population health. Maryland hospitals are strong proponents of the state's efforts to expand health care coverage, supporting Medicaid expansion, offering subsidized individual and small group health plans through the Maryland Health Benefit Exchange, and most recently the creation of the individual market reinsurance program.

Yet, we know 357,000 Marylanders are uninsured, and even more are underinsured—which often prevents access to care and worsens health outcomes.¹ The State Health Access Data Assistance Center (SHADAC) notes that 43% of employees in Maryland are in enrolled in high-deductible health plans.²

The high out-of-pocket costs in these plans deter people from accessing appropriate upstream care and saddle patients with large bills for care they do receive. Maryland hospitals continue to urge a holistic solution to tackle the issue of underinsurance so individuals can access care that is most beneficial to them, and in the easiest way possible. Until then, this bill would allow individuals to leverage additional contributions, such as copay assistance programs, to help meet those high deductibles.

For more information, please contact:
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¹ American Community Survey, Table HI-05_ACS: Health Insurance Coverage Status and Type of Coverage by State and Age for All Persons: 2019. Available at: census.gov/data/tables/time-series/demo/health-insurance/acs-hi.html

² State Health Access Data Assistance Center, State-Level Trends in Employer Sponsored Health Insurance, 2014-2018. Available at: shadac.org/sites/default/files/ESIRReport2019/StateProfile/2014-2018_ALLstate.pdf