



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc  
2101 East Jefferson Street  
Rockville, Maryland 20852

February 18, 2021

The Honorable Shane E. Pendergrass  
Health and Government Operations Committee  
House Office Building Room 240  
6 Bladen Street  
Annapolis, Maryland 21401

**RE: HB 780 – Support**

Dear Chair Pendergrass and Members of the Committee:

Kaiser Permanente is pleased to support HB 780, “Maryland Health Benefit Exchange – State–Based Young Adult Health Insurance Subsidies Pilot Program.”

Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.<sup>1</sup> Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for approximately 775,000 members. In Maryland, we deliver care to over 450,000 members.

This bill requires the Maryland Health Benefit Exchange to establish and implement a pilot program to provide subsidies to young adults for the purchase of health benefit plans in the individual market, for calendar years 2022 and 2023 only. In determining the subsidy eligibility and payment parameters the Exchange is required to consider (1) young adults between 18 and 41 years old; and (2) income groups between 133% and 140% FPL. The Governor must designate \$10 million from the Maryland Health Benefit Exchange Fund in each of FY 22 through FY 24 to be provided to young adults who meet the eligibility requirements and payment parameters in calendar years 2022 and 2023.

Kaiser Permanente supports state-funded subsidy enhancements, like those proposed HB 780, because they provide an immediate and direct benefit to consumers. Subsidy enhancements are relatively simple for states to administer through existing tax methodologies and they can be implemented relatively quickly. We appreciate that younger adults have not historically purchased health insurance at the same rate as other age groups and support policies that encourage this group to enter the market. KP agrees with the [Lewis and Ellis analysis](#) published on September 21, 2020 that projects that young adult subsidies will significantly increase enrollment/coverage in Maryland, moving the state towards universal coverage.

---

<sup>1</sup> Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation’s largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente’s members.

Kaiser Permanente  
Comments on HB 780  
February 18, 2021

Thank you for the opportunity to comment. Please feel free to contact Allison Taylor at [Allison.W.Taylor@kp.org](mailto:Allison.W.Taylor@kp.org) or (202) 924-7496 with questions.

Sincerely,

A handwritten signature in cursive script that reads "Allison Taylor".

Allison Taylor  
Director of Government Relations  
Kaiser Permanente