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Date: February 1, 2023

Bill # / Title: Senate Bill 59 – Maryland Health Benefit Exchange – Small Employers – Special Enrollment Period and Marketing

Committee: Senate Finance Committee

Position: Letter of Information (LOI)

The Maryland Insurance Administration (MIA) appreciates the opportunity to provide information regarding Senate Bill 59.

Senate Bill 59 would require the Maryland Health Benefit Exchange (the “Exchange”) to open a special sixty (60) day enrollment period for individuals who become employed by a small employer that does not offer an employer-sponsored health benefit plan. The special enrollment period would begin on the first day of employment of the individual. The open enrollment would apply to qualified health plans offered through the Exchange in the individual market and coverage under the plans would be available to both the employee and their dependents. The bill also extends appropriations for the Exchange through 2029, with \$5 million each year from 2025 through 2029 to be used for marketing, outreach and small employer programs for the purpose of facilitating enrollment in health insurance coverage.

The MIA notes that while the bill amends § 31-108 of the Insurance Article to require the Exchange to provide the new special enrollment period, it does not add the special enrollment period to §15-1316 of the Insurance Article, which is the law that sets forth all the special enrollment periods carriers participating on the individual Exchange are required to provide. In order to clarify the MIA’s enforcement authority over insurance carriers with respect to the proposed enrollment period, the bill should be amended to add the new special enrollment period to §15-1316.

Additionally, as drafted, Senate Bill 59 does not apply the special enrollment period to all products in the individual market; it only applies to products offered on the Exchange. Individuals currently have the option to purchase individual and family coverage on or off the Exchange and it is not clear why the special enrollment period would only apply to coverage purchased on the Exchange.

Thank you for the opportunity to provide this letter of information. The MIA is available to provide drafting assistance or any additional information regarding these matters that might be helpful to the sponsor or the Committee.