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TESTIMONY IN SUPPORT OF SENATE BILL 59

Maryland Health Benefit Exchange – Small Employers –
Special Enrollment Period and Marketing
Before the Senate Finance Committee

By Stephanie Klapper, Deputy Director, Maryland Health Care For All! Coalition
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Chair Griffith, Vice-Chair Klausmeier, and Members of the Senate Finance Committee, thank you for this opportunity to testify in support of Senate Bill 59, which would help small employers and their employees get connected with health coverage. I am testifying on behalf of the Maryland Health Care for All! Coalition which is made up of over 300 faith, business, labor, community, and health care organizations across the state, and our mission is quality, affordable health care for all Marylanders.¹ Thanks to your leadership over 400,000 Marylanders have enrolled in health coverage since the passage of the Affordable Care Act, and Maryland is also improving health equity through legislation like the 2021 Health Equity Resource Act.

Yet we still have more work to do. Six percent of Marylanders remain uninsured, and inequities by race and ethnicity persist. In Maryland only 37% of small employers offer health coverage to their employees compared to 95% of large employers.² Under your leadership, last summer Maryland Health Benefit Exchange (MHBE) convened a workgroup to make recommendations on how to help small employers and their employees connect with health coverage. I was proud to serve on the workgroup which included representatives from diverse stakeholders including small businesses, nonprofits, insurance carriers, and insurance producers. Though the workgroup originally examined creating a state subsidy program for small employers, due to changes in federal policy, the workgroup ultimately decided to recommend an outreach program to help small employers and their employees learn about the coverage options available to them.³

SB59 would invest \$5 million per year in an outreach program to help small employers and their employees get connected with health coverage. Outreach would include education and training

¹ <https://healthcareforall.com/resolution/>

² Agency for Health Quality and Research. Table II.A.2 Percent of private-sector establishments that offer health insurance by firm size and State: United States, 2020. https://meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/state/series_2/2020/tia2.pdf (Accessed November 23, 2021)

³ <https://www.marylandhbe.com/wp-content/uploads/2022/11/Updated-SB632-Small-Business-and-Nonprofit-Health-Insurance-Subsidies.pdf>

regarding existing coverage options, including enrolling in coverage through Maryland Health Connection, the state's online insurance marketplace, as well as options for employer-sponsored plans both on- and off- exchange. MHBE would engage directly with small businesses, nonprofit organizations, and authorized producers to develop key partnerships and relay important information through trusted messengers with existing communications channels that reach target audiences. Through these existing partners, MHBE would provide workshops, training and events targeted specifically to small employers and employees who are seeking health insurance, with a focus on those most likely to be uninsured. MHBE would also direct messaging directed to small employers through digital advertising, business news platforms, promotional flyers, and branded materials.

Such a marketing and outreach program would help to reduce the overall uninsured rate in the state and at the same time support Maryland's small employers by ensuring that their employees have the coverage they need to remain healthy and productive. Providing better opportunities for small businesses and nonprofits to help their employees connect with health coverage would also improve health equity because Maryland has the highest rate per-capita of businesses owned by Black and Brown people in the nation.⁴

Thanks to your leadership, Maryland has one of the top five health care systems in the entire nation, and SB 59 will help us continue to lead. We urge a favorable report for SB 59.

⁴ Mirabella, L. The Baltimore Sun. "Maryland ranks No. 1 in U.S. for Minority and women businesses ownership, study finds." April 18, 2018. <https://www.baltimoresun.com/business/bs-bz-minority-owned-business-maryland-20180418-story.html>