



Maryland
Hospital Association

SB 868 – Health Insurance – Consumer Protections
Position: *Support*

Bill Summary

Senate Bill 868 would repeal a certain provision of law applying certain provisions of the federal Affordable Care Act (ACA) to certain health insurance coverage issued or delivered in the state by certain insurers, nonprofit health service plans, or health maintenance organizations; prohibit certain carriers from excluding or limiting certain benefits or denying coverage under certain circumstances; prohibit certain carriers from establishing certain rules for eligibility based on health status factors; and more.

MHA Position

Under Maryland's Total Cost of Care agreement with the federal government, hospitals are working to lower costs and improve population health. In addition to treating illness and injury, hospitals are reaching out to keep people well and improve the health of communities. Hospitals are taking care of the whole person, empowering patients and families, coordinating care among different providers, and addressing social factors that influence people's health.

Maryland's hospitals therefore support SB 868, because it helps ensure that broad-based coverage continues to preserve and stabilize the insurance market, which is critical to the success of Maryland's agreement. The ACA's consumer protections have brought gains in coverage while at the same time helping people receive the right care, at the right time, in the right setting.

The ACA has dramatically improved the ability of people with preexisting conditions to buy coverage. In 2010, before the law passed, a Commonwealth Fund survey found that 70 percent of people with health problems said it was very difficult or impossible to buy affordable coverage; just 36 percent said they had purchased a plan. By 2016, the percentage of people who had trouble buying an affordable plan had dropped to 42 percent; 60 percent bought a plan.

By codifying these protections in state law, SB 868 allows hospitals, other providers, communities, and the state to meet the requirements of our Total Cost of Care Model while also protecting Marylanders from federal actions that have weakened the ACA, particularly its bans on denying coverage and charging more for those with preexisting conditions.

For all these reasons, we respectfully urge a *favorable* report for SB 868.