



Maryland
Hospital Association

February 17, 2021

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

Re: Letter of Concern- Senate Bill 543 – Health Care Sharing Ministries – Exemption

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 543. 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 have been 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 that nearly 400,000 Marylanders are uninsured, and even more are underinsured—which often prevents access to care and results in worse health outcomes. While health care sharing ministries may offer a source of comfort to many Marylanders, they do not provide adequate health care coverage and contribute to the increasing financial obligations being borne by patients. The increasing individual financial obligations results in avoided preventive care, and unexpected financial burdens when individuals obtain health services.

The proposed amendment would allow an exemption for health care sharing ministries from insurance requirements, but it does not provide notice requirements for individuals who are joining these programs. Without notice that the health care sharing ministry is not a form of comprehensive health insurance, participants may believe themselves to be insured, seek necessary medical help, only to learn that the ministry did not “cover” the care they received. Similar to the notice requirements for voluntary noncontractual religious publication arrangements, consumers should be clearly notified that health care sharing ministries are not considered comprehensive health insurance and may result in significant out of pocket costs. As this legislature looks to protect consumers from out-of-pocket costs, it must commit to looking and unreasonable cost-sharing structures in traditional health insurance, and reject the proliferation of mechanisms that undermine the need for comprehensive health care coverage.

For these reasons, we urge an unfavorable report for SB 543.

For more information, please contact:
Maansi Raswant, Vice President, Policy
Mraswant@mhaonline.org