



Health Insurance Down Payment Plan

Summary: More than 450,000 Marylanders have gained health coverage because of the Affordable Care Act (ACA), including over 150,000 through the individual market. Unfortunately the Trump Administration and Republican leadership in Congress have been doing everything they can to sabotage the ACA, including deciding not to enforce the individual mandate starting in 2020. We must respond to this by passing a **Health Insurance Down Payment Plan**, which would give Marylanders at tax time without health coverage the option to either pay a fee or instead purchase health coverage, bringing more Marylanders into the individual market and stabilizing premiums to help with affordability.

Is there significant impact on public health in Maryland? Without the individual mandate, premiums in the individual market are expected to rise at least 10%¹, putting health coverage out of reach for many.

What are the major, most compelling reasons we want to support this issue? Under a Health Insurance Down Payment Plan at tax time Marylanders would be asked if they had health coverage for the past year. If they say no, then they will be given the option to either pay a fee to the state OR use the fee money to instead purchase quality health coverage.

We estimate that at least 60,000 Marylanders would be able to purchase health coverage for no more than the amount of the fee plus the federal subsidies for which they are already qualified. This would bring more people into the individual market, stabilizing premiums and improving affordability.

Is the current political climate conducive to moving this issue forward at this time? Polling by OpinionWorks shows that around 60% of voters in Maryland support this plan. In addition, we believe this plan will be one of the main proposals discussed by the Health Insurance Coverage Protection Commission which provides ideas to the Maryland General Assembly on how to counteract federal sabotage of the ACA.

Would we have credible partners with whom to coalesce? The Health Care for All! Coalition of hundreds of health, business, labor, faith, and community organizations supported this proposal last year. The Coalition includes partners such as MdPHA, Maryland NAACP, Maryland AARP, and 1199 SEIU Healthcare Workers East. We will be calling on the Coalition to rally around this issue for the upcoming legislative session.

Is this the first time this bill will be introduced in Maryland? There was a bill introduced during the past legislative session; however the legislature decided to focus on quickly passing reinsurance legislation and limits on short-term duration and association health plans. Lack of enforcement of the individual mandate will begin in 2020, making this policy proposal very urgent during this legislative session.

Would there be parties working against us? What are their arguments? What are their resources? Although the Health Insurance Down Payment Plan is popular among Republican voters (even more popular than with Democrat voters) no Republican legislators co-sponsored the legislation last year.

Is there an MdPHA member who is willing to lead on this issue? Stephanie Klapper would like to lead on this issue. Stephanie is an MdPHA member and Deputy Director at Maryland Citizens' Health Initiative.

¹ <https://www.cbo.gov/system/files?file=115th-congress-2017-2018/reports/53300-individualmandate.pdf>