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GOVERNOR O'MALLEY UNVEILS HEALTH INSURANCE PARTNERSHIP FOR SMALL BUSINESS

ANNAPOLIS, MD (June 23, 2008) – Governor Martin O’Malley today announced important steps that Maryland is taking to expand health insurance coverage for more working families and small businesses. In coordination with the Maryland Department of Health and Mental Hygiene (DHMH), Maryland Health Care Commission (MHCC) participating insurance carriers, and advocates, the State of Maryland will be working to enroll members in the Health Insurance Partnership, a premium subsidy program for small businesses.

“In many cases, health insurance is too expensive and out of reach for many of Maryland’s small businesses,” said Governor O’Malley. “This partnership will make health benefits more affordable, thus expanding access to quality healthcare for businesses and their employees.”

During the General Assembly’s Special Session of 2007, Governor O’Malley was joined by leaders of the Maryland General Assembly to support the enactment of the Working Families & Small Business Health Coverage Act. The Act, effective July 1, calls for the creation of a subsidy that would encourage more small employers to offer health insurance to their employees and expands Medicaid to cover parents with incomes up to \$20,500 for a family of three, 116 percent of the federal poverty level. This expansion called Medical Assistance to Families is set to begin on July 1, 2008. Applications and additional information are available at the Department’s Web site, <http://www.dhmh.state.md.us>

Under the Partnership, a small business that has 2 to 9 full-time employees, has not offered health insurance to its employees during the previous 12 months, and has an average wage below \$50,000 is eligible to receive a subsidy of up to 50 percent of the premium. The total subsidy is divided between the employer and the employee based on the contribution each makes toward the cost of coverage.

During the 16 months of the O’Malley-Brown Administration, healthcare has been expanded to more than 100,000 Marylanders. In addition, Governor O’Malley and leaders in Prince George’s County and Maryland’s General Assembly announced the appointees to an independent board charged with finding new ownership to continue and improve the operation of the Prince George’s Hospital System, ensuring access to quality health care for residents of that area. Expanding access to health care for all Marylanders and maintaining a spirit of fiscal responsibility is central to these initiatives.

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“Maryland’s small businesses and working families will be able to access affordable health care,” said John M. Colmers, Secretary of the Department of Health and Mental Hygiene. “This is an important first step to ensuring that all Marylanders have access to quality health care.”

The Partnership is expected to enroll over 1,500 businesses, in its first year. In September, insurance agents and brokers will begin enrolling small businesses in health plans offered by CareFirst Blue Cross Blue Shield, Coventry Health Care, United HealthCare and AETNA. All health plans eligible for a subsidy will encourage wellness by offering a health risk assessment and by providing employees with incentives for preventive care, wellness activities, or disease management. Coverage will begin October 1.

The Maryland Health Care Commission (MHCC) is charged with the administration of the Partnership. “We’ve worked with many groups to make the Partnership easy to understand, easy to enroll in, and easy to administer. This partnership between small businesses and government offers an innovative way to reduce the number of uninsured in our State,” said MHCC chair Marilyn Moon.

The MHCC will be collaborating with business associations to host regional meetings across the State with small business owners in August. The MHCC will also be holding informational meetings for licensed insurance producers on July 21 and 23 at the MHCC. For more information contact Nicole Stallings at MHCC at 410-764-5593 or nstallings@mhcc.state.md.us.

More information about the Health Insurance Partnership is available at <http://mhcc.maryland.gov/partnership/>.