

Media Release

April 1, 2021

AMERICAN RESCUE PLAN ACT DRAMATICALLY LOWERS HEALTH CARE COSTS FOR MANY MARYLANDERS

Low income individuals and families will pay nearly nothing for private health plans, higher income will be eligible for savings for the first time

(BALTIMORE) — Gov. Larry Hogan and Maryland Health Connection today announced reductions in the health plan costs that reflect additional financial help available through the federal American Rescue Plan Act. The new law means that:

- Those who previously did not qualify for financial help for private insurance due to higher income will now be eligible.
- Many who received help before in the form of federal tax credits will now be eligible for additional savings, in some cases hundreds of dollars a month.
- Unemployed workers may qualify for health plans for just a few dollars a month.
- COBRA coverage is free for laid-off workers through Sept. 30.

“This relief will decrease the cost many Maryland families would otherwise pay for coverage,” said Gov. Hogan. “We are proud to offer such high quality health insurance options, now with additional savings, to keep Marylanders safe and healthy, especially as we come out of the COVID-19 pandemic.”

“The strength and agility of our technology and consumer assistance network enabled us to make the benefits of the American Rescue Plan Act available to Marylanders swiftly,” said Michele Eberle, executive director of the Maryland Health Benefit Exchange. “Providing additional relief to families getting back on their feet after a difficult year was our primary goal.”

Expanding tax credits for those ineligible before

For the first time, individuals and families who were not eligible before may now be able to save on health insurance. Before this landmark expansion, those with income above roughly \$50,000 for an individual and \$100,000 for a family of four were not able to get savings. Now no household pays more than 8.5 percent of its income toward health insurance premiums. This will provide financial assistance and help to relieve the burden for middle-income families.

For example, a family of four with a household income around \$112,000 per year could now get \$306 a month in savings to pay for their monthly premiums. Before the new law, this family was

not eligible for premium savings.

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Lower costs for those who currently receive financial help with a marketplace plan

Many individuals and families will see bigger discounts on their monthly premiums in the form of increased tax credits. The law increases premium tax credits for all income brackets.

Relief for unemployed Maryland residents

The Rescue Plan Act provides nearly free coverage for those who received or are eligible to receive unemployment compensation for at least one week at any time during 2021, even if they do not receive unemployment compensation now.

COBRA premiums \$0

Effective April 1, the federal government will pay 100 percent of premiums for COBRA enrollees by paying the health plan directly. This COBRA subsidy will end on Sept. 30. Those who did not enroll in COBRA coverage during their 60-day window can still elect to receive COBRA if they are within their 18-month eligibility.

How can Marylanders take advantage of these low costs?

Starting April 1, Marylanders can see their savings on current marketplace health plans and new consumers can enroll online at MarylandHealthConnection.gov or through the free “Enroll MHC” mobile app. Maryland Health Connection currently has a special enrollment period open until Aug. 15 for uninsured residents to enroll in a private plan. Enrollment in Medicaid is available all year.

Most current enrollees will receive savings automatically. Starting April 1, consumers can log into their account to update their application to see if they qualify for savings.

Free help is available by calling 855-642-8572. Also, more than 700 trained brokers and navigators are available to help by phone and virtually.

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[Maryland Health Benefit Exchange](#) (MHBE), a public corporation and independent unit of state government established in 2011, administers Maryland Health Connection.

[Maryland Health Connection](#) (MHC) is the state-based marketplace for Marylanders to shop and enroll in health insurance, as well as determine eligibility for Medicaid and other assistance programs. It is the only place where Marylanders can access financial help such as tax credits to make coverage more affordable.