

**RESOLUTION OF THE BOARD OF TRUSTEES  
APPROVING THE EXCHANGE ESTABLISHMENT GRANT PROPOSAL**

WHEREAS, the Maryland Health Benefit Exchange Act of 2011 (hereinafter, “the Exchange Act”), creating the Maryland Health Benefit Exchange (hereinafter, “the Exchange”), took effect on June 1, 2011; and

WHEREAS, the Affordable Care Act of 2010 authorizes State Planning and Establishment Grants (the “Establishment Grants”) to help States establish health benefit exchanges; and

WHEREAS, on July 29, 2010, the U.S. Department of Health and Human Services (“HHS”) issued a grant solicitation publicizing the availability of the first round of funding for the Establishment Grants for each State and the District of Columbia to give States the resources necessary to conduct the research and planning needed to build a better health insurance marketplace and determine how their health benefit exchanges will be operated and governed; and

WHEREAS, HHS has informed States that they can use Establishment Grant funds for a variety of initial planning activities including, but not limited to, assessing current information technology (IT) systems and determining any exchange IT needs, planning for consumer call centers to answer exchange questions from their residents, developing partnerships with community organizations to gain public input into the exchange planning process, and initial personnel for exchanges; and

WHEREAS, pursuant to the Exchange Act as reflected in §31-106(d)(8) of the Insurance Article, Maryland Annotated Code, the Exchange’s Board of Trustees (the “Board”) may apply for and receive grants, contracts or other public or private funding; and

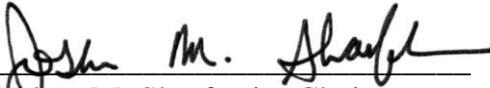
WHEREAS, the Board has determined that, in order to avoid relying on State or local funds for the Exchange’s initial start-up activities such as information systems development, research and planning, administration and operations, applying for an Establishment Grant before the beginning of State fiscal year 2012 is in the Exchange’s best interest; and

WHEREAS, the Board has reviewed an Establishment Grant proposal and supporting documentation in substantially the form attached hereto as Exhibit A (the “Establishment Grant Proposal”);

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the submission to HHS of the Establishment Grant Proposal as reflected in Exhibit A or as

modified with such non-substantial changes as deemed necessary by the Chair of the Board.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this 21<sup>st</sup> day of June, 2011, by the Board of Trustees of the Maryland Health Benefit Exchange.

  
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Joshua M. Sharfstein, Chair