

December 16, 2022

The Honorable Bill Ferguson
President
Senate of Maryland State House, H-107
100 State Circle
Annapolis, MD 21401

The Honorable Adrienne A. Jones
Speaker
Maryland House of Delegates State House, H-101
100 State Circle
Annapolis, MD 21401

Re: House Bill 814 / Senate Bill 802 of 2019 – Maryland Easy Enrollment Health Insurance Program
(MSAR #12193)

Dear President Ferguson and Speaker Jones,

Pursuant to House Bill 814 / Senate Bill 802 of the 2019 Session of the Maryland General Assembly, the Maryland Health Benefit Exchange (MHBE) submits this report on the recommendations of the Maryland Easy Enrollment Health Insurance Program Advisory Workgroup. Fifteen of 17 active members of the Advisory Workgroup voted on this report and its recommendations; of those, 14 voted to approve and one abstained.

If you have any questions regarding this report, please contact Johanna Fabian-Marks, Director of Policy and Plan Management at (443) 890-3518 or at johanna.fabian-marks@maryland.gov.

Sincerely,



Michele Eberle
Executive Director

cc: Sarah Albert, Department of Legislative Services (5 copies)



Maryland Easy Enrollment Health Insurance Program (MEEHP) - Report to the Legislature

Co-Chairs:

Stan Dorn, UnidosUS

Deborah Rivkin, CareFirst

December 2022

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Executive Summary

Maryland has faced challenges while implementing the Easy Enrollment Health Insurance Program (“Easy Enrollment”). The program has run concurrently with the Covid-19 pandemic, and federal hurdles also prevent the program from being implemented in full accordance with the vision of the original legislation. While lauding the program’s success in the face of these challenges, the Easy Enrollment Advisory Workgroup offers three recommendations to the State:

- First, in 2023 the State should work to implement Easy Enrollment as envisioned in statute, including by working with the federal government to overcome any challenges to doing so that exist at the federal level.
- Second, the State should reinvigorate outreach efforts to increase awareness of Easy Enrollment among tax filers and tax preparers. The workgroup recommends that the legislature allocate additional funding to MHBE to be used on a robust marketing and outreach strategy focused on Easy Enrollment that includes direct mail and email outreach to individuals who have checked the box but who have not yet enrolled.
- Third, MHBE should continue to convene this group in 2023 and 2024 to review 2023 program data; review the State’s progress in implementing the program as described in statute; support outreach efforts; and, no later than 2024, to issue recommendations on whether implementing an individual responsibility payment or automatic enrollment of individuals in a qualified health benefit plan in the individual market is feasible and in the best interest of the state.

Maryland’s Easy Enrollment Program is a first-in-the-nation voluntary health coverage enrollment pathway for uninsured tax-filers made possible through a partnership between the Maryland Health Benefit Exchange (MHBE), the Comptroller’s Office, and the Maryland Department of Health. Since the program’s launch in 2019, more than 100,000 eligible individuals checked the box on their state tax returns and more than 10,000 of those individuals enrolled in coverage.

The legislation that established Easy Enrollment envisioned that, in addition to conducting outreach to individuals who check the box, the State would use information on the state tax return, with individuals’ consent, to determine eligibility for Medicaid, Maryland Children’s Health Program, and advance premium tax credits (APTC), and to enroll eligible individuals in managed care organization plans. However, federal restrictions have prevented the State from determining eligibility with only the information from tax forms.

The Workgroup’s recommendations reflect the need for an additional year of the program to collect more data and problem-solve with the federal government before commenting on next steps for Maryland.

Introduction

Enrollment in Qualified Health Plans (QHP) and Medicaid hit record highs in 2022, with over 178,000 and 1.7 million enrollments, respectively, as of March 2022.¹ Between 2018 and 2022, QHP enrollments have increased by approximately 15 percent (from about 155,000 in 2018) and Medicaid enrollments through Maryland Health Connection by about 17 percent (to 1.23 million in March 2022 from about 1.05 million in 2018).² These record enrollment numbers have been driven by lower premiums as a result of Maryland's State Reinsurance Program and the American Rescue Plan enhanced Premium Tax Credit subsidies, and more opportunities to enroll in or maintain existing coverage, including through the Easy Enrollment program, and a special enrollment period that MHBE opened from March 2020 through August 2021 as a result of the pandemic. The factors have made health insurance more affordable and accessible for consumers in Maryland than in 2018. In addition, to receive the enhanced federal match rate available through the Families First Coronavirus Response Act (FFCRA), states must comply with maintenance of effort (MoE) requirements. States may not terminate coverage for any beneficiary enrolled in Medicaid during the emergency period effective March 18, 2020, unless the beneficiary voluntarily requested to be disenrolled, or is no longer a resident of the state. These requirements have led to increases in Medicaid enrollment during the national public health emergency and resulted in continued enrollment for participants that might otherwise have lost coverage under normal circumstances, including pregnant women.

2018 was also the year in which the federal individual mandate, which required individuals without health insurance to pay a penalty, was repealed. The Affordable Care Act prohibited insurers from denying coverage to individuals with preexisting conditions, and the repealed policy had been intended to balance the cost of premiums by ensuring a stable mix of high-risk and low-risk enrollees. Policymakers worried that premiums would rise in the absence of the individual mandate.³

In response, the Maryland General Assembly passed House Bill 814/Senate Bill 802 (2019) to require the establishment of the Maryland Easy Enrollment Health Insurance Program and an advisory workgroup to evaluate the effectiveness of the program. The workgroup was to provide recommendations on the relative feasibility and benefit to the state of implementing an individual responsibility amount versus implementing automatic enrollment of individuals into health coverage. This report details the program results to date and advisory group's recommendations.

¹ <https://www.marylandhbe.com/wp-content/uploads/2022/04/Executive-report-03312022.pdf>; Medicaid data. 1.7 million includes 1.23 million enrolled through Maryland Health Connection and those enrolled through other means.

² https://www.marylandhbe.com/wp-content/uploads/2018/12/MHCDataReport_December2018.pdf. These numbers reflect only those enrolled through Maryland Health Connection, not those enrolled through other means.

³ <https://www.commonwealthfund.org/blog/2018/understanding-impact-elimination-individual-mandate-penalty>

Please note that a number of disruptions have occurred that impact the requested data, including COVID-19; the Coronavirus Emergency Special Enrollment Period opened by the MHBE for any uninsured Marylander from March 16, 2020, through August 15, 2021; and the extension of the period to file state income tax returns in 2020, 2021, and 2022.

Background

The Maryland Health Benefit Exchange (MHBE) is responsible for operating the Maryland Health Connection (MHC) consumer portal, which offers Maryland residents a one-stop shop to explore health insurance plans, compare rates, and determine their eligibility for tax credits, cost-sharing reductions, and public assistance programs, such as Medicaid and the Maryland Children's Health Insurance Program. Once an individual or family selects the private health plans or programs that best meets their needs, they may enroll directly through MHC. Despite consistent outreach efforts and growing consumer familiarity with the enrollment process, approximately 248,000 individuals eligible to enroll in coverage through Maryland Health Connection continue to lack coverage, including approximately 182,000 eligible for Medicaid or APTCs.⁴

Legislation

The Easy Enrollment Program was signed into law during the 2019 Session of the Maryland General Assembly. House Bill 814/Senate Bill 802 originally was drafted as an "individual mandate, down payment plan" where uninsured tax-filers could avoid paying a state penalty by signing up for insurance. The legislation ultimately evolved away from an individual-responsibility requirement and instead created a voluntary enrollment pathway for uninsured tax-filers through a partnership between the MHBE, the Comptroller's Office, and the Maryland Department of Health. The legislation unanimously passed through the Senate, and through the House with a bipartisan vote (123-15).

Implementation

Current Implementation

The program allows Maryland residents to indicate on their tax return whether any members of their household are uninsured and whether they authorize the Comptroller to share relevant

⁴ Based on the characteristics of Maryland's uninsured in 2019 and 2021 2021 eligibility levels for Medicaid and Marketplace premium tax credits, 248,000 were eligible for exchange coverage, including 182,000 who qualified for Medicaid, CHIP, or APTCs. <https://www.kff.org/health-reform/state-indicator/distribution-of-eligibility-for-aca-coverage-among-the-remaining-uninsured/?dataView=1¤tTimeframe=0&sortModel=%7B%22collId%22:%22Location%22,%22sort%22:%22asc%22%7D>.

information with MHBE. Beginning with tax year 2019 forms, the Comptroller made additions to the Individual Resident Return (Form 502, Figure 1) and the Dependent's Information (Form 502B, Figure 2). The additions allow the tax filer to indicate any individual included in the return who does not have health care coverage, provide the date of birth for each uninsured individual, provide an email address, and indicate if the filer authorizes the Comptroller of Maryland to share information from the return with the MHBE to determine preliminary eligibility for health coverage.

Figure 1. Maryland Form 502

MARYLAND FORM 502 RESIDENT INCOME TAX RETURN

195020149

2019 Page 2

NAME SSN

MARYLAND HEALTH CARE COVERAGE See Instruction 30.

Check here if you do not have health care coverage DOB (mm/dd/yyyy) ▶ _____

Check here if your spouse does not have health care coverage DOB (mm/dd/yyyy) ▶ _____

Check here I authorize the Comptroller of Maryland to share information from this tax return with the Maryland Health Benefit Exchange for the purpose of determining pre-eligibility for no-cost or low-cost health care coverage.

E-mail address ▶ _____

1. Adjusted gross income from your federal return. ▶ 1. _____

Figure 2. Maryland Form 502B

MARYLAND FORM 502B Dependents' Information (Attach to Form 502, 505 or 515.)

19502B049

2019

Dependents (If a dependent listed below is age 65 or over, check both 4 and 5.)

1. First Name	MI	Last Name			Check here <input type="checkbox"/> if this dependent does not have health care coverage
Social Security Number	Relationship	Regular	65 or over	DOB (MM/DD/YYYY) ▶ _____	
2. _____	3. _____	4. _____	5. _____		

1. First Name	MI	Last Name			Check here <input type="checkbox"/> if this dependent does not have health care coverage
Social Security Number	Relationship	Regular	65 or over	DOB (MM/DD/YYYY) ▶ _____	
2. _____	3. _____	4. _____	5. _____		

Daily data files are transferred from the Comptroller's office to the MHBE containing information for those filers who have checked the box to authorize the Comptroller to share their information (Figure 3). The MHBE then determines whether the filer has a Maryland address and whether the individuals in the household indicated as uninsured are already enrolled in Medicaid or a QHP. Households with Maryland addresses and whose uninsured individuals are not determined to be already enrolled in coverage are then sent a notice indicating that they can apply for coverage through a special enrollment period (SEP), if they are eligible for a QHP, and

that Medicaid enrollment is available year-round.⁵ Each tax filer's SEP begins on the date of their tax filing and continues through 35 days from the date of the notice mailed by the MHBE. Coverage under the SEP is effective on the first of the month after the date a plan is selected. If the individual enrolls in Medicaid, coverage is effective on the first day of the month that the individual applied.

In addition to the SEP notice, a postcard is sent to filers shortly after they check the box letting them know they should visit Maryland Health Connection if they are still seeking coverage. An email is also sent to people who provided their email address on the tax form, and chase campaign emails are sent every three days once the consumer begins their application asking them if they need assistance or encouraging them to continue their application. Starting in 2021, MHBE's Navigators, which are entities that conduct consumer assistance and outreach on MHBE's behalf, placed an outbound call to each person that checked the box to offer assistance with enrolling in coverage. Due to the significant effort involved in this outreach, in 2022 MHBE recalibrated the outbound call initiative to target Navigator phone calls to individuals who had started but not yet completed an application for coverage on MHC. Lastly, individuals who check the box but do not enroll in coverage during their Tax Time SEP are sent a targeted email during open enrollment in the fall of the year that they checked the box to encourage them to enroll.

⁵ Filers who do not have a Maryland address or for whom MHBE determined that those individuals marked as uninsured have already obtained coverage are sent a notice tailored to their situation.

out to faith communities, affordable housing groups, tax preparers, elected officials, social workers, and nonprofits in the State to discuss the program.⁸

From February 17 through April 15, 2020, the MHBE spent approximately \$80,000 on digital advertising, including banner ads, Facebook and Instagram ads, and search advertising. The MHBE marketing department also hosted a webinar to discuss the program with community partners, which was attended by more than 100 tax preparers, brokers, consumer assistance organizations, and other partners. In addition, stakeholders were emailed a social press kit that included various resources in English and Spanish for them to share with their audiences.

Representatives from the Comptroller's Office spoke about the program at 14 tax practitioner events between October 2019 and January 2020 throughout Maryland, Delaware, the District of Columbia, Pennsylvania, and Virginia. Approximately 2,100 tax practitioners were reached throughout these events, and feedback was solicited to determine additional means of delivering guidance, such as Tax Alerts, online FAQs, or pamphlets. The Comptroller's Office also worked with tax preparation software providers to include information about the program in popular tax software products.

In 2021 and 2022, MHBE invested a minimal amount in digital marketing specific to Easy Enrollment, with approximately \$60,000 in digital advertising each year. No other entities marketed Easy Enrollment. In both years, MHBE focused marketing on enrollment opportunities that were available to a broader population that included individuals who checked the box on their state tax returns as well as other individuals. In 2021, MHBE was operating the Coronavirus Special Enrollment Period (SEP) during the tax filing season. The Coronavirus SEP was open to any uninsured individual in the state regardless of whether they checked the box on their taxes, so MHBE focused on publicizing that SEP. In 2022, MHBE focused marketing resources on open enrollment, for several reasons. First, it was the first open enrollment during which individuals could receive enhanced federal premium assistance that made coverage through MHC the most affordable ever. Second, MHBE extended open enrollment until February 28th due to the Omicron surge, so open enrollment overlapped with the early part of the tax filing season.

As previously mentioned, in 2020, 2021, and 2022, MHBE conducted outreach to individuals who checked the box. In 2020, that outreach consisted of a paper SEP notice, reminder postcard, and reminder emails. In 2021 and 2022, MHBE added outbound calls to offer assistance with enrolling in coverage. In 2021, Navigators called all tax filers who checked the box and in 2022 called tax filers who checked the box and started but had not completed an application for coverage on MHC.

Future Implementation

The Easy Enrollment statute directs that "To the maximum extent practicable, the Exchange or the Department [of Health], as applicable, shall verify an uninsured individual's eligibility for an

⁸ Maryland Citizens' Health Initiative "Easy Enrollment" Outreach Strategy

insurance affordability program: with information on a State income tax return and other data from third-party data sources [...] and without requesting additional information or attestations from the uninsured individual.”⁹ The statute goes on to direct MHBE or MDH, as applicable, to first make a determination of eligibility for the Maryland Medical Assistance Program and the Maryland Children's Health Program (MCHP), and, if an eligible uninsured individual fails to select a managed care organization plan, to assign the individual to and promptly enroll the individual in a managed care organization plan.¹⁰ If the individual is determined ineligible for Medicaid or MCHP, the statute directs MHBE to determine whether the individual is eligible for premium tax credits (PTC) or cost-sharing reductions (CSRs) to enroll in a QHP and authorizes MHBE to conduct outreach to such individuals.¹¹

MHBE, the Comptroller's Office, and MDH worked to determine whether it would be possible to collect sufficient information through the tax filing process to fulfill the statutory direction to conduct eligibility determinations for Medicaid, MCHP, and financial assistance determinations for QHP affordability programs. Staff identified several challenges that prevented doing so, as described below, but intend to revisit and hope to overcome these challenges in 2023.

As staff evaluated the federally required information for enrollment in Medicaid or a QHP, they identified potential hurdles related to citizenship and income. Federal law requires that an individual attest to their citizenship status as part of the citizenship verification process required to enroll in Medicaid.¹² Federal law also requires that Medicaid eligibility be based on current monthly income, and APTC eligibility on projected annual income.¹³ In 2020, the Centers for Medicare & Medicaid Services (CMS) advised MDH and MHBE that they would not be able to offer flexibility related to these standards for Medicaid and QHP enrollment.

State law contemplates that MHBE will attempt to verify citizenship status using only the current data on the state tax form (e.g. Social Security Number, if provided) and reliable third-party sources of citizenship data and prohibits adding to the tax return information pertaining to citizenship or immigration status.¹⁴ If verification is not possible, state law directs MHBE to follow up with the tax filer or uninsured individual.¹⁵ However, as mentioned above, CMS previously reported that an attestation of citizenship status is required in all circumstances, meaning that MHBE could not simply attempt to verify citizenship status using only data on the state tax form.

Furthermore, because the tax form supplies previous year's income, it is not possible to determine current monthly or projected annual income using only information currently collected on the tax form. Again, as mentioned above, CMS previously reported that they could not offer

⁹ Insurance § 31-204(b)(1), Annotated Code of Maryland

¹⁰ Insurance § 31-205, Annotated Code of Maryland

¹¹ Insurance § 31-206, Annotated Code of Maryland

¹² 42 CFR § 435.406(a)

¹³ 42 CFR § 435.603(h); 45 CFR §155.320(c)(3)(ii)

¹⁴ Tax-General Article, § 2-115(b)(2)(iii)(3), Annotated Code of Maryland

¹⁵ Insurance, § 31-204(c), Annotated Code of Maryland

flexibility around this requirement. Further complicating matters, under federal law, Medicaid and APTC eligibility is based on modified adjusted gross income, which is adjusted gross income plus, if any: untaxed foreign income, non-taxable Social Security benefits, and tax-exempt interest. These additional items are not currently collected on the state 502 or 502B forms.

However, since staff last had in-depth conversations with CMS on these issues, the presidential administration and CMS leadership have changed. Staff intend to revisit these items with CMS in 2023 to explore opportunities to overcome these challenges.

Given the current inability to make Medicaid or APTC eligibility determinations using the tax form, MHBE explored an alternative approach to facilitate enrollment as an interim step: allowing individuals who “check the box” to prepopulate their Maryland Health Connection application using information from their tax filing. The theory was that prepopulation could reduce the time and mental effort required to enroll by prepopulating demographic, household, and income information from the tax return, while allowing the individual to update information as needed and make required attestations, including those related to citizenship status. MHBE, the Comptroller’s Office, and MDH discussed how to operationalize this approach using data provided by the Comptroller’s office.

After assessing the data currently transferred from the Comptroller’s Office to MHBE, MHBE determined that the development effort required to prepopulate the application would not be warranted unless additional household demographic data could be transferred, to enable MHBE to prepopulate a meaningful portion of the application. Given challenges with transfer of additional data, staff decided to wait on pursuing prepopulation pending further conversations with CMS. If the federal challenges related to citizenship and income can be resolved, MHBE and MDH may be able to jump straight to enrolling individuals in Medicaid while simultaneously developing prepopulated applications for Medicaid-eligible individuals who cannot be enrolled using only the information on the tax form and for QHP-eligible individuals, saving the effort of a two-step development process (building out prepopulation and then later facilitating enrollment).

Easy Enrollment Program Advisory Work Group

In accordance with Md. Insurance Code Ann. § 31-203, a work group was established to advise on state income tax changes, evaluate the effectiveness of the program and provide recommendations as to whether implementing an individual responsibility amount or implementing automatic enrollment of individuals in a qualified health benefit plan in the individual market is feasible and in the best interest of the state. The group met every six months, pursuant to statute.

Table 1. Maryland Easy Enrollment Health Insurance Program Workgroup Members

Name	Organization
Alverta “Sandy” Steinwedel	Maryland Society of Accounting and Tax Professionals
Benjamin Fulgencio-Turner	Primary Care Coalition of Montgomery County (until June 2022)
Betty McGarvie-Crowley	Unitarian Universalist Legislative Ministry of Maryland
Debbie Harrison	National Business Group on Health
Deborah Rivkin*	CareFirst
Diana Hsu	Maryland Hospital Association
Evan Leiter-Mason	CASH Campaign of Maryland
Iana Capers	Centene
Jeananne Sciabarra	HealthCare Access Maryland (until August 2021)
Jeffrey Lawson	Maryland Association of Certified Public Accountants
Jen Brock-Cancellieri	United Healthcare Workers
Kim Cammarata	Health Education and Advocacy Unit, Office of the Attorney General
Margaret Murray	Association for Community Affiliated Plans
Melissa Hurtt	Mother Earth Designs
Michelle LaRue	CASA of Maryland
Stephanie Klapper	Maryland Citizens’ Health Initiative
Stan Dorn*	UnidosUS (formerly with Families USA)
Tanya Schwartz	Aurrera Health Group
Teresa Healey-Conway	MedChi, The Maryland State Medical Society; The Anne Arundel & Howard County Medical Society (AAHCMS); the Prince George’s County Medical Society (PGCSM)
Wandra Ashley-Williams	NAACP
Debora Gorman	MD Comptroller’s Office
Anne Klase	MD Comptroller’s Office
Alyssa Brown	Maryland Department of Health
Aisha Robinson	Primary Care Coalition of Montgomery County (beginning October 2022)

Giavante Hawkins	MD Society of Accountants and Tax Professionals (beginning October 2022)
Sarah Beardsley	Maryland Department of Labor

*Co-Chairs of the work group

Results: First Three Years

In the first three years of Easy Enrollment, more than 100,000 individuals eligible for a Tax Time SEP checked the box on their state tax returns and more than 10,000 enrolled in coverage, approximately three-quarters of whom enrolled in Medicaid.¹⁶ Year one of Easy Enrollment, in 2020, saw the highest number of individuals who checked the box and enrolled, although year two saw a higher percentage of individuals who checked the box and ultimately enrolled in coverage. As shown in Table 2, enrollment can be measured as (1) those who enroll during their 35-day Tax Time SEP after checking the box and filing their taxes, or as (2) individuals who enroll during their Tax Time SEP plus individuals did not enroll during their SEP but did enroll during the open enrollment period in the fall of the year that they checked the box.

Although it is not possible to say definitively why the total number of box checkers and enrollees was the highest in 2020, it may be because the state, in conjunction with Maryland Citizens Health Initiative, conducted a more active outreach campaign in the first year. The decline in these numbers over the years does not appear to be due to a decrease in the uninsured rate, which held steady at about 6% between 2019 and 2021.¹⁷ It also is not possible to say definitively why the percentage of individuals who enrolled after checking the box (the “conversion rate”) increased in year two, but it may be due to MHBE’s 2021 initiative to have Navigators call everyone who checked the box to offer assistance.

¹⁶ An individual was determined eligible for the Tax Time SEP if the tax filer had a Maryland mailing address and MHBE determined that the individuals indicated as uninsured on the tax return were not already enrolled in Medicaid or QHP coverage through MHC.

¹⁷<https://www.census.gov/library/visualizations/interactive/population-without-health-insurance-coverage-2019-and-2021.html>

Year	Individuals who “Checked the Box” ¹⁶				Total Enrolled During Tax Time SEP		Total Enrolled During Tax Time SEP and Following Open Enrollment Period	
	Total	Determined Eligible for SEP	Determined Ineligible for SEP		Number	As % of Individuals Eligible for SEP	Number	As % of Individuals Eligible for SEP
			Already Enrolled (Medicaid + QHP)	No MD Address				
2020	58,252	53,146	4,763	343	4,015	7.6%	4,901	9.2%
2021	33,462	27,223	5,697	542	2,989	11.0%	3,889	14.3%
2022	26,062	19,916	5,640	506	1,477	7.4%	TBD	TBD
Total, 2020-2022	117,776	100,285	16,100	1,391	8,481	8.5%	10,267*	10.2%*

Table 2. Conversion rates to enrollment among eligible consumers who “checked the box”

**Does not include individuals who enrolled during open enrollment after checking the box in 2022, due to the timing of this report.*

Looking at conversion rates broken down by program, age, race, and ethnicity, Medicaid and MCHP have the highest enrollment rates, ranging from 11 to 19 percent of eligible individuals depending on the year. (see Table 3, below). A large proportion of enrollees are in the under 18- and 18–34-year-old age range, indicating that Easy Enrollment is especially effective at reaching young families. In Medicaid in particular, more than a third of enrollees each year have been children and another third have been ages 18-34.

Table 3: Tax Time SEP Enrollment by Eligibility Type, Age, Race, and Ethnicity

Year	Eligibility Type*	Total SEP Eligible**	Total Enrolled	Conversion Rate^	Enrollee Breakdown^^							
					Under 18	18-34	35-54	55+	Race Other	Race Black	Race White	Ethnicity Hispanic
2020	With APTC	7,439	841	11%	<1%	39%	38%	22%	28%	24%	33%	8%
	Unassisted	25,915	126	<1%	9%	51%	29%	11%	21%	17%	43%	8%
	Medicaid/MCHP	19,792	3,048	15%	36%	38%	19%	7%	32%	31%	25%	12%
2021	With APTC	9,418	665	7%	3%	35%	35%	27%	29%	24%	33%	11%
	Unassisted	6,411	107	2%	11%	52%	32%	5%	28%	22%	43%	11%
	Medicaid/MCHP	11,394	2,190	19%	40%	34%	18%	8%	41%	25%	25%	23%
2022*	With APTC	4,949	348	7%	0%	44%	33%	22%	36%	28%	37%	11%
	Unassisted	6,629	68	1%	6%	54%	37%	3%	26%	16%	57%	10%
	Medicaid/MCHP	8,338	1,061	13%	36%	34%	21%	10%	37%	31%	32%	15%

*Eligibility Type: Eligibility for Medicaid and QHP with or without financial assistance estimated by MHBE based on household size and income from tax return.

**Total SEP Eligible: Determined eligible for Tax Time SEP (MD mailing address and not already enrolled in coverage). For data on ineligible individuals who checked the box, see Table 2.

^Conversion Rate: Percent of SEP-Eligible individuals who enrolled in coverage.

^^Enrollee Breakdown: Distributions by age, race, and ethnicity, of individuals who enrolled in coverage.

Placing these results in context, the conversion rates for individuals who checked the box were much higher than officials have been able to achieve with other targeted outreach efforts. For example, an outreach mailing by the Internal Revenue Service to 3.9 million taxpayers who paid penalties for health insurance yielded a 1.5 percentage point increase in coverage.¹⁸ That small effect was enough to yield statistically significant reductions in mortality, showing the importance of even small insurance gains, but the conversion rates achieved by Easy Enrollment were substantially higher, showing the promise of this general approach.

The most recent available Census Bureau data showing the characteristics of Maryland's uninsured provide further context. They show that Easy Enrollment offers tremendous promise for reaching eligible, uninsured children. Based on Current Population Survey data for 2020, only 13% of Maryland's uninsured are age 18 and younger.¹⁹ But during each year of Easy Enrollment, between 25% and 30% of all enrollees were under age 18. The initiative thus proved particularly effective in reaching children.

These Census Bureau data also show an important gap in Easy Enrollment performance thus far. More than 175,000 uninsured Maryland residents filed federal income tax forms in 2020. Even at the highwater mark of Easy Enrollment in 2020, Maryland tax filers sought help for fewer than 55,000 uninsured household members. An important challenge for the future is devising effective methods to increase the proportion of uninsured tax filers who take advantage of tax filing as an opportunity for obtaining coverage.

Easy Enrollment for Unemployment Claimants

In May 2022, MHBE and the Department of Labor implemented Easy Enrollment for Unemployment Insurance (UI) claimants pursuant to HB 1002 of 2021.²⁰ UI claimants must complete weekly claims certification forms to maintain their benefits, and this weekly form now features a checkbox for those who are uninsured and want to share their data with MHC. As with the original Easy Enrollment program, the Department of Labor shares information for box checkers with MHBE, and MHBE then conducts outreach by mailing an SEP notice and sending a reminder email. Early results of the program have been promising, with more than 20,000 individuals checking the box between May and August, more than 1,000 enrolling in coverage, and an additional 3,000 who were already enrolled in coverage through MHC updating their applications with new information.

¹⁸ Goldin, J., Lurie, I. Z., & McCubbin, J. (2021). Health insurance and mortality: Experimental evidence from taxpayer outreach. *The Quarterly Journal of Economics*, 136(1), 1-49. Working paper available online at https://www.nber.org/system/files/working_papers/w26533/w26533.pdf.

¹⁹ Data accessed through Integrated Public Use Microdata Series, Current Population Survey: Version 9.0 [dataset], University of Minnesota, www.ipums.org.

²⁰ <https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/hb1002/?ys=2021rs>

Health Policy Developments in Other States

Four states (Rhode Island, New Jersey, California, and Massachusetts) and DC mandate that their residents maintain health insurance or else pay a penalty. Vermont also mandates health insurance but does not levy a penalty for being uninsured. An increase in premiums was predicted as an outcome of the repeal of the federal individual mandate,²¹ but MHBE staff were not able to find any evidence on the effectiveness of state-based individual mandates and penalties on controlling premiums in the individual market. However, the lack of an individual mandate may be associated with higher uninsured rates.²²

One important difference between individual mandates, as practiced historically, and the approach envisioned in “down payment” legislation as introduced in Maryland involves the timing of the enrollment choice and the penalty’s application. Under the standard approach to individual mandates, a consumer who decides to remain uninsured risks a penalty imposed more than 12 months in the future, when filing a later year’s income tax return. Under the down-payment approach, by contrast, an uninsured tax filer avoids an immediate tax liability by signing up for insurance at tax filing. New Jersey is now testing out a version of the original Maryland down-payment plan, and policymakers in Massachusetts have discussed following suit. The results of these experiments in other states could prove instructive to Maryland policymakers.

We recommend that next year’s advisory group examine the possibility of incorporating automatic enrollment into zero-net premium QHPs. In Maryland, an estimated 43,300 uninsured adults qualify for QHPs with zero-net premiums, under current federal law.²³ Automatic enrollment into such plans may soon be tested in various forms in several states, which could provide the working group with useful information.

Recommendations

1. Implement Easy Enrollment as Envisioned in Statute

Maryland has not yet fully implemented Easy Enrollment as envisioned in law. The workgroup recognizes that Easy Enrollment launched in an unusually challenging time, with the program rolling out almost simultaneously with the pandemic. Full implementation of the program was hindered by this challenge. In addition, as state staff delved into implementation, they discovered challenges under federal law that may not have been fully recognized when the state legislation was passed.

²¹ https://www.commonwealthfund.org/sites/default/files/2018-07/Eibner_individual_mandate_repeal.pdf

²² <https://link.springer.com/article/10.1007/s10754-022-09324-x#:~:text=Overall%2C%20the%20mandate%20repeal%20led,compared%20to%20pre%2D2019%20levels.>

²³ <https://www.kff.org/private-insurance/issue-brief/a-closer-look-at-the-uninsured-marketplace-eligible-population-following-the-american-rescue-plan-act/>.

Implementing Easy Enrollment as envisioned, which would significantly simplify the process to enroll in coverage, could result in a significantly higher percentage of individuals who check the box gaining coverage. HB814 required MHBE and MDH to determine eligibility for Medicaid, MCHP, and APTCs, and to enroll individuals in managed care organization plans in addition to conducting outreach to those individuals who check the box. MHBE has implemented a robust outreach effort, but MHBE and MDH cannot determine eligibility for, and automatically enroll eligible participants in, Medicaid or MCHP using information provided by the Comptroller's Office; MHBE also cannot determine eligibility for APTCs using information provided by the Comptroller's Office.

The workgroup recommends that MHBE, MDH, and the Comptroller's office work with CMS to explore opportunities to overcome federal challenges related to implementation as envisioned in statute, including applying for any necessary waivers from the federal government to do so. The workgroup further recommends that the agencies work together to update, as necessary, the tax instructions, tax forms, and data transmission, to implement the program as envisioned in statute. The workgroup recommends that these actions occur in 2023 in order to launch a process that fulfills the statutory direction in 2024.

2. Reinvigorate Easy Enrollment Marketing and Outreach

Based on the program's performance so far, marketing and outreach appears to be positively associated with box-checking and enrollment in health insurance. If feasible in future program years, MHBE and partners should conduct more marketing to raise awareness of the program. Additionally, concerted outreach to tax preparers should occur annually to ensure they understand the importance of the program and of explaining the additional questions on the tax form to their clients.

The workgroup recommends that the legislature allocate additional funding to MHBE for marketing and outreach for the Easy Enrollment program (a detailed proposed budget is available in Appendix A). Such a marketing and outreach strategy would focus on both the Tax Time program and the Department of Labor program, and would not only increase awareness of the program, but would also increase outreach to individuals who have already checked the box but have not yet enrolled.

Outreach would involve partnering with organizations who Marylanders may turn to for information. These trusted messengers can help disseminate messaging through established communication channels. The messaging would first be coordinated with the Department of Health, Comptroller's Office, and Department of Labor to align efforts.

Content developed for this marketing and outreach strategy would include educational resources and collateral materials for partners and MHBE to distribute. The MHBE marketing and outreach team would develop core messages in English and Spanish explaining the programs and answering commonly asked questions. Social media content would include template graphics for Facebook, Twitter, Instagram, and LinkedIn that partners can customize.

Printed materials, such as flyers or brochures, would be posted or shared in partner offices or events (i.e., bank lobbies, job fairs). Lastly, earned media materials like press releases or op-eds would be placed in local outlets throughout the state during key moments (i.e., tax filing deadline).

With the proposed funding, MHBE would be able to purchase paid advertising to raise awareness of the program, and to engage in “1:1 marketing” directly to Marylanders who have checked the box with direct mail and email. Messaging sent directly to these individuals would contain links and simple messages encouraging recipients to enroll.

Please see Appendix A for more details on the proposed marketing and outreach strategy.

3. Continue Convening Workgroup in 2023 and 2024 for Additional Evaluation and Recommendations

The workgroup recommends that the program collect an additional full year of data and results in 2023 and that the workgroup continue convening in 2023 and 2024 to review results, as well as review the state’s progress in implementing the program as described in statute and assess lessons learned from other states, to the extent such information becomes available. In addition, the group can continue to discuss strategies to support outreach efforts; and, no later than 2024, issue recommendations on whether implementing an individual responsibility payment or automatic enrollment of individuals in a qualified health benefit plan in the individual market is feasible and in the best interest of the state.

The Easy Enrollment program launched in 2020 for tax year 2019 and has run concurrently with the COVID-19 pandemic every year since. It is difficult to judge the program given the significant unexpected impacts to the policy environment since 2020, including a recession, COVID-19 special enrollment periods, enhanced federal premium assistance, and tax filing extensions. The workgroup stresses the need to collect program data over the course of at least one year with fewer of these anomalies before developing recommendations on whether implementing an individual responsibility payment or automatic enrollment of individuals in a qualified health benefit plan in the individual market is feasible and in the best interest of the state.

Appendix A: Easy Enrollment Marketing & Outreach Strategy

Marketing for Easy Enrollment

Options for Consideration

Overview

Through marketing and outreach, our goal is to encourage Marylanders to:

1. **Check** the box on their state tax form or unemployment insurance application
2. **Explore** their health plan options
3. **Enroll** through Maryland Health Connection

While the avenues for enrollment are different, we believe by coordinating our efforts between the two programs, we can create efficiencies and maximize resources.

We recommend the subsequent communications strategies and tactics to achieve this goal.

Outreach

Submitting tax forms and unemployment insurance applications is inherently confusing and stressful. We recommend partnering with organizations who Marylanders may turn to for information. As trusted messengers, they can help disseminate our message through established communication channels.

Our first step would be to coordinate with the Maryland Department of Health, Comptroller's Office and Department of Labor to align efforts and messaging. In addition, we recommend exploring partnerships with:

State Tax Form

- Tax filing apps
- Financial associations like MD Assoc. of CPAs
- Community-based organizations
- Volunteer Income Tax Assistance (VITA)
- Local banks

Unemployment Insurance Application

- Local job centers and workforce centers
- Food pantries and other social services
- Career development programs like MD New Directions
- Local government services like Mayor's Office of Employment Development

Content

We will develop educational resources and collateral materials for partners and will distribute through our channels. This could include:

- **Messaging:** Core messages in English and Spanish for MHBE and partners to use explaining the programs and answering commonly asked questions.
- **Social media content:** Template graphics for Facebook, Twitter, Instagram, and LinkedIn that partners can customize.
- **Printed materials:** Educational materials like a flyer or brochure that can be posted or shared in partner offices or events (i.e. bank lobbies, job fairs).
- **Earned media materials:** Press materials like releases or op-eds to place in local outlets throughout the state during key moments (i.e. tax filing deadline).

Advertising

Paid advertising would focus on the initial step of encouraging Marylanders to “check the box” on their state tax forms or unemployment insurance application. We can narrow the focus through third-party, interest-based targeting. We recommend the media mix include:

- **Social advertising:** In-feed display ads on Facebook, Instagram, and LinkedIn
- **Display advertising:** Static and/or animated assets for desktop and mobile display
- **Search advertising:** Google text ads based on relevant keywords

To align with the state tax period, we recommend running advertising for both programs from February to April. This would allow us a bigger advertising footprint.

1:1 Marketing

Both campaigns provide a unique opportunity for hyper-targeted advertising with the availability of first-party data. First-party data is information relevant state agencies get from Marylanders who checked the boxes. This allows us to directly market to Marylanders, who have taken the first step of checking the box and share customized information encouraging them to take the next step of exploring their options and enrolling. We recommend exploring:

- 1. Direct mail:** In addition to the initial letters sent to Marylanders who checked the boxes, we could send a follow up mailing as it nears the end of their special enrollment period.
- 2. Email:** We could run a campaign with simple messages and links for Marylanders to take immediate action. Email allows us to directly communicate with our audiences.

Budget Estimates

Campaign Elements	Approximate Allocation
Planning	\$150,000
Outreach	\$200,000
Content (including printing)	\$200,000
Advertising Creative Assets	\$200,000
Media Buy	\$1,000,000
1:1 Marketing	\$250,000
Total	\$2,000,000

