



MHBE

Small Business Programs Advisory Committee

April 30, 2025

1:00PM – 3:00PM

Online Via Google Meets

Members Present:

Rick Weldon, Co-Chair
Amber Hyde, Co-Chair
Nikki Blake
Brandon Burbage
Rob Cohen
Stephanie Klapper
Daniel Koroma
Eugene Poole

Staff

Jose Cabrera
Rita Dyer
Michele Eberle
Nicole Edge
Johanna Fabian-Marks
Dinesh Ganesan
Makeda (Mimi) Hailegeberel
Andrew Ratner

Members of the Public

Warren Laird
Allison Mangiaracino

Welcome and Meeting Minutes

Rick Weldon, Co-Chair, welcomed attendees to the meeting. He then asked for any discussion of the minutes of the Committee's January 29 meeting, or for a motion to approve them. Eugene Poole moved to approve the minutes as presented, with a second from Daniel Koroma. The Committee voted unanimously to approve the minutes.

Mimi Hailegeberel, Small Business Programs Manager at the Maryland Health Benefit Exchange (MHBE), then explained that the SBPAC committee needs to approve an amendment to the committee's charter, to adjust the meeting schedule from monthly to quarterly, in order to give MHBE staff time to research and provide meaningful action items for each meeting. The remaining of 2025 meetings would then just be in July and October. Amber Hyde, Co-Chair, added that members are welcome to share feedback at anytime in between meetings, on relevant Marketplace topics or things they're hearing in the field that they would be interested in bringing to the group for discussion. Mr. Weldon agreed, and to Ms. Hyde's point noted that the most SBPAC committee members have access to communication paths that the MHBE staff may not. Mr. Weldon then asked for a motion to approve the charter. Eugene Poole moved the motion, with a second from Daniel Koroma. The Committee voted unanimously to

approve the charter amendment to adjust the committee's meeting frequency to quarterly.

Small Group Affordability Stakeholder Feedback

Ms. Hailegeberel, began with a review of prior discussion focused on the affordability of small group insurance, particularly following last month's conversation about small group rates and the stabilization of the marketplace and small groups specifically. Several questions were posed to this group about what regulatory or financial solutions could assist the small businesses in Maryland in coping with rising premiums. Ms. Hailegeberel summarized the feedback received, organized into 5 recommendations for preliminary consideration and discussion (refer to the presentation slides for more information on each recommendation):

Recommendation 1:

- Current Issue: Level-funded coverage is growing in Maryland's small group enrollment.
- Proposed Solution: Increase the market-wide attachment point for level-funded stop-loss coverage from \$22,500 to \$40,000 to ensure stop-loss policies cover excess risk without replacing small group insurance.

More information and insight on the specifics of this recommendation were requested from some committee members, in order to provide more clarity on this subject in order to have a more substantive discussion, including considerations of potential unintended consequences of a policy like this. Ms. Hailegeberel noted this feedback and will see what additional information can be gathered for the group. It was also confirmed that this is not a policy that's within the regulatory authority of MHBE, but something MHBE is interested in bringing to this group as part of a broader discussion around what actions the state might be able to take around small group affordability.

Recommendation 2:

- Current Issue: Frequent insurer exits and entries can disrupt market stability and become unattractive to carriers.
- Proposed Solution: Implement mandate to participate in both marketplaces and a five-year exit ban for insurers leaving either the individual or Small Business market.

Mr. Pool commented that if a company knows that they're going to enter into a five-year ban situation, they may possibly increase their rates to offset that risk if they're going to stay in the marketplace.

Ms. Hyde recommended to solicit UnitedHealthcare to add their vision and dental as well, because they have very robust vision and dental plans. Ms. Hailegeberel confirmed that all of the carriers that are currently participating have been asked to also participate in the small group marketplace, and they're generally waiting to see how the

market does after we release the new small business portal. Dental carriers used to be on the small business marketplace but left due to market volatility in the past.

Recommendation 3:

- Current Issue: Small group employers face limited plan choices on MHC-SB due to metal tier plan caps.
- Proposed Solution: Remove these plan limits or establish an exception process for offering more plans.

Ms. Hyde recommended allowing group to be able to offer non-consecutive metal levels (for example bronze and gold), particularly in order to be able to offer employees more choice in monthly premium costs with higher and lower value metal tier options. Ms. Hailegeberel agreed that this is a great question to ask but clarified that research shows that providing non-consecutive metal tier offerings would actually cause adverse risk in the marketplace So because of MHBE kept choice options limited to consecutive metal tiers.

Mr. Burbage agreed with Ms. Hyde's comment, and suggested giving groups the option to select up to three consecutive metal tiers.

Mr. Weldon asked for more clarification on the research around adverse risks from non-consecutive metal tier offerings? Mimi will pull up the research and follow up more at the next meeting.

Mr. Poole also added to this discussion point that young adults tend to be more price sensitive and older adults more risk averse. Making the small business market more flexible would make it more attractive for all ages, by providing the option to be able to offer wider plan variation to fit a wider range of coverage and cost preferences within a group.

Mr. Burbage commented generally that if we're trying to encourage more on-exchange small business enrollment, we need to be aware of what the off-exchange policies are that entice more groups there.

Ms. Hyde agreed with Mr. Burbage, especially since the tax credit is not substantial enough to really entice groups to come into the exchange. This committee should continue to brainstorm how to ensure the success of this program and new platform.

Recommendation 4:

- Current Issue: Lack of a clear long-term strategy may hinder SHOP's growth. Highlight SHOP's administrative ease, infrastructure, and customer service in the marketplace.
- Proposed Solution: Develop and share a 5-year business plan outlining enrollment growth, market analysis, and marketing strategies.

Mr. Burbage commented that one of the biggest things MBHE should focus on to ensure the success of the small business program is to ensure buy-in from all general agent partners and perspectives. Ms. Hailegeberel replied that we've tried reaching out to general agent partners, but there are definitely barriers to those partnerships in terms of perceived competition.

Mr. Poole noted that carriers in the small business market often offer a lot more products that they offer off-exchange, than on-exchange. It would help to get more buy-in from general agent partners if we could get carriers to offer more on-exchange offerings.

Ms. Hyde added that in agreement with the above comments, the subject of competition is a very touchy – in essence we are protective of our lines of business because this is our livelihood.

Ms. Hailegeberel also added that there's definitely more opportunity to collaborate with general partners and TPA's now, because we're giving them access to the new portal and there are four general partners that are already interested in participating.

Mr. Burbage gave more context from the carrier side (Kaiser), there are observed circumstances where some brokers just choose not to engage with certain carriers for various reasons. This can make for a difficult climate to navigate but he highlighted the importance of the partnership between carriers and brokers.

Recommendation 5:

- Maximize broker participation in Maryland Health Connection for Small Business (MHC-SB) through various strategies.

Mr. Burbage commented on the particular bullet point under this recommendation - to consider paying broker commissions through the MHC-SB platform - going back to working in tandem with general agent partners, he recommended taking this off the recommendation list since that would take away a significant amount of the work that general agents do, from them. And that would ultimately make it hard to improve these relationships moving forward.

Options for Future Discussion

Ms. Hailegeberel then concluded by sharing some options for future committee discussion topics that members would be interested in exploring further. Some proposed future topics include:

- Offering reinsurance to the small group market
- Merging the small group and individual markets

Mr. Poole commented that the new MHC-SB portal could be the precursor logistically for the potential merging of small group and individual markets – in terms of the potential to be able to merge the two enrollment platforms and streamline the process

for consumers who may switch from on-exchange small group to individual market enrollment (or vice versa).

Ms. Hyde added that marketing is one of the most difficult parts of the job for consumers, and any support with outreach and marketing ideas that MBHE could assist with would be most welcome. Ms. Hailegeberel responded that along with the new portal launch, MHBE is also launching the outreach and education program that will provide brokers with information and an outreach guide that brokers can use with businesses to present their options.

Rita Dyer, MHBE Producer Operations Manager, added that one of the things that she's asked the MBHE IT team to look into is the feasibility of creating a direct QR code for each broker. Mr. Poole commented that he has a QR code that he makes available on his business website, business cards, etc., which makes it a lot easier from a marketing perspective.

Public Comment

Ms. Hailegeberel thanked everyone for the discussion and opened the meeting for public comment.

Mr. Weldon thanked Ms. Hailegeberel for the way she structured and facilitated this meeting, and for encouraging a free flowing discussion and input from all members.

Adjournment

The meeting adjourned at 2:00 PM.