



Joint Meeting to Discuss Assistance to Small Businesses with Health Insurance

October 1, 2025
1:00pm - 4:00pm

This presentation does not provide legal advice.
You should discuss specific questions with your
trusted financial advisor or insurance producer.



Purpose

This is a joint agency discussion on how the state can support small businesses and employees in navigating health insurance amid recent market changes. We will cover the latest market trends, explore options for different types of plans, and discuss potential policies to support market stability and affordability.

Agenda

- Welcome – Marie Grant, Insurance Commissioner, Maryland Insurance Administration and Johanna Fabian-Marks, Executive Director, Maryland Health Benefit Exchange
- Maryland Insurance Administration (MIA) Presentation: Overview of Small Group Market Trends and Challenges
- Maryland Health Benefit Exchange (MHBE) Presentation: Current and Ongoing Efforts to Support Small Business
- Discussion of Potential Policy Levers
 - Possible Changes to stop-loss regulation for the small-group market
 - Possible support for ICHRA/CHOICE plans
 - Individual and Small Group Market Merger?
- Stakeholder Feedback – Stakeholders Provide Feedback and Discussion of Small Group Market Challenges
- Closing Remarks



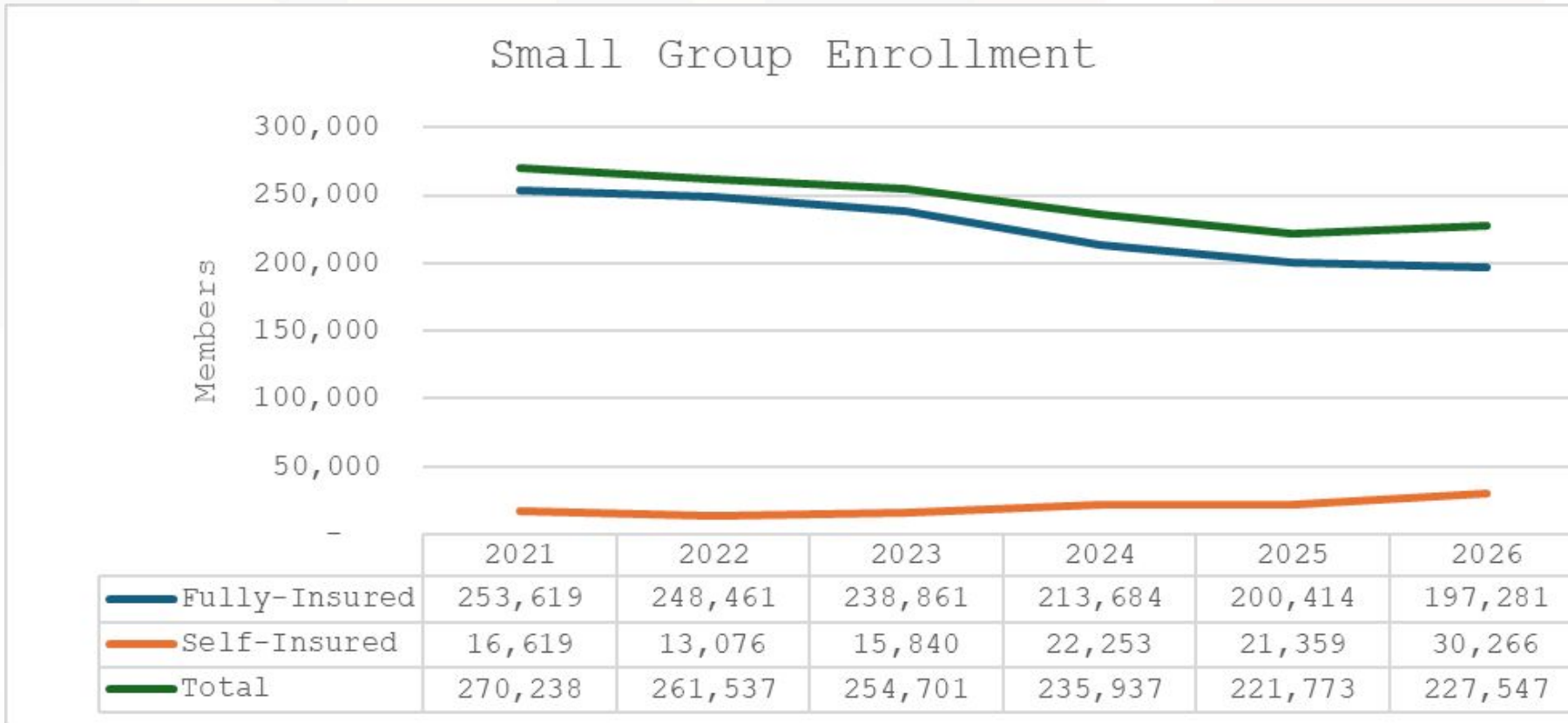
Small Group Allowed Claims Trends

Historical Markewide Allowed PMPMs for Maryland ACA Markets							
	Small Group	YoY Change		Individual	YoY Change		Ind:SG Ratio
2014	\$ 368			\$ 356			0.97
2015	\$ 374	1.6%		\$ 415	16.6%		1.11
2016	\$ 383	2.5%		\$ 440	6.1%		1.15
2017	\$ 402	4.9%		\$ 500	13.7%		1.24
2018	\$ 419	4.3%		\$ 551	10.2%		1.31
2019	\$ 430	2.4%		\$ 562	2.0%		1.31
2020	\$ 427	-0.7%		\$ 568	1.1%		1.33
2021	\$ 482	13.1%		\$ 622	9.5%		1.29
2022	\$ 489	1.4%		\$ 623	0.1%		1.27
2023	\$ 518	5.9%		\$ 654	5.0%		1.26
2024	\$ 550	6.2%		\$ 654	0.0%		1.19
2025	\$ 615	11.9%		\$ 697	6.6%		1.13
Annualized % Increase (2014-2025)		4.8%			6.3%		
Annualized % Increase (2018-2025)		5.6%			3.4%		
Annualized % Increase (2023-2025)		9.0%			3.2%		

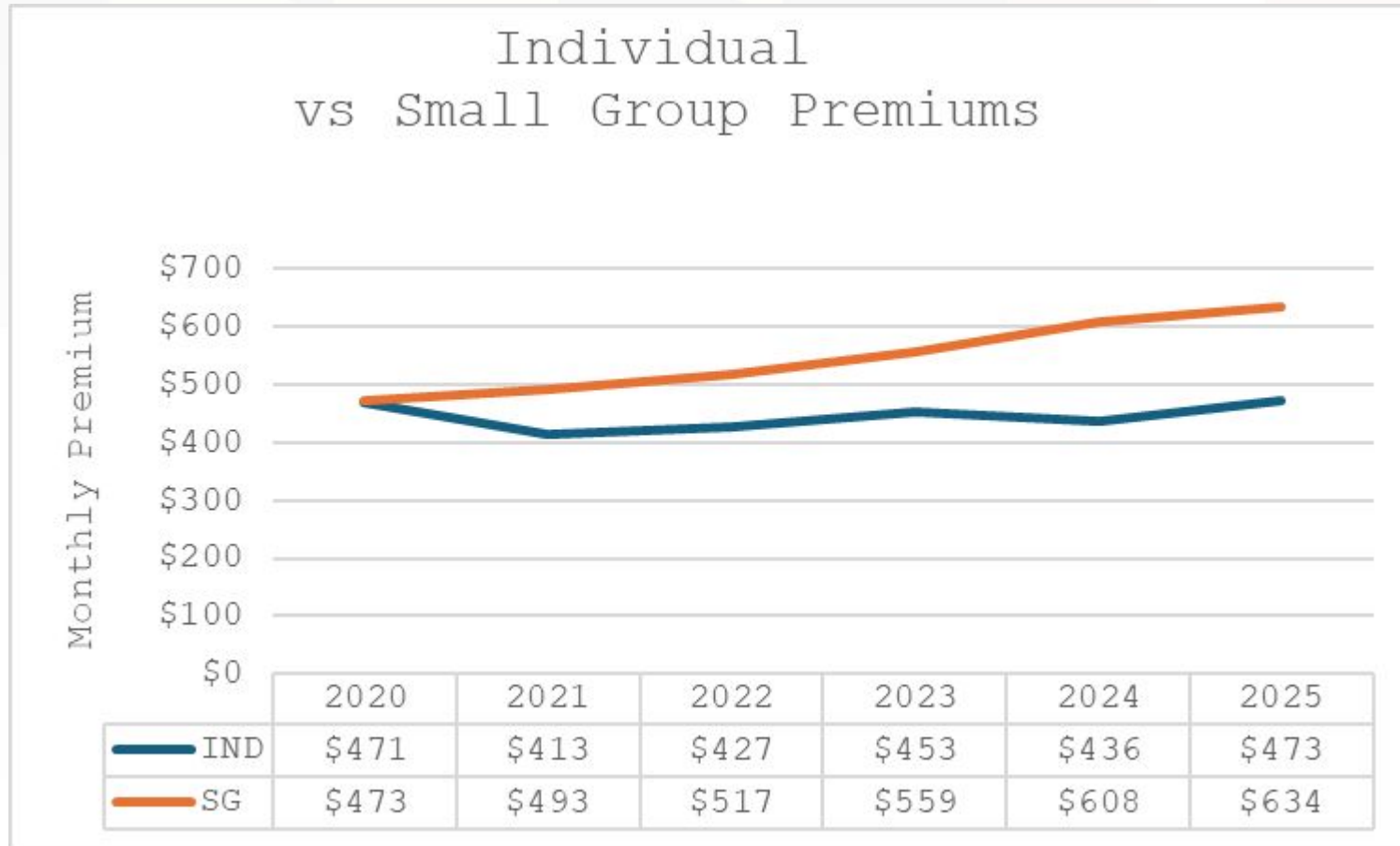
Small Group Trends by Service Category

	2022	2023	2024	2025			
Benefit Category	Experience Period Index Rate PMPM	Experience Period Index Rate PMPM	Experience Period Index Rate PMPM	Experience Period Index Rate PMPM	Observed Trend 2023 vs 2022	Observed Trend 2024 vs 2023	Observed Trend 2025 vs 2024
Inpatient Hospital	\$87	\$85	\$84	\$100	-1.7%	-0.9%	18.4%
Outpatient Hospital	\$107	\$118	\$129	\$136	10.0%	9.8%	5.0%
Professional	\$156	\$161	\$173	\$187	3.2%	6.9%	8.3%
Other Medical	\$38	\$41	\$38	\$46	8.0%	-7.2%	23.1%
Capitation	\$2	\$3	\$6	\$4	31.7%	79.9%	-23.2%
Prescription Drug	\$99	\$110	\$120	\$142	10.4%	9.8%	17.8%
Total	\$489	\$518	\$550	\$615	5.8%	6.2%	11.9%
Total Hospital	\$194	\$203	\$214	\$236	4.8%	5.3%	10.3%

Small Group Enrollment History



Small Group Vs Individual Premium



Current and Ongoing Efforts to Support Small Business



for small business

MHBE Small Business Priorities

Viability & Access

MHC for Small Business serves as a viable option for small employers and their employees who have not been able to access and afford insurance in the small group market

Cost Stability & Predictability

MHC for Small Business is committed to supporting the stability and predictability in employers' health insurance costs

Meaningful Plan Choice

MHC for Small Business pursues meaningful choice among high-quality and affordable health benefit plans for employers

Continuity of Care

MHC for Small Business facilitates the continuity of care for employees who change employers or health benefit plans

Small Business Federal Tax Credit

ACA Federal SHOP Tax Credit: Created to incentivize small businesses to offer employee health coverage.



Maryland Location

Business must be located in Maryland



Company Size

Fewer than 25 full-time equivalent employees (FTEs) for the taxable year



Average Wage

Average annual wages < \$69,000 per FTE (inflation adjusted)

Sliding scale applies: in 2026, credit is reduced if FTEs > 10 or avg wage > \$34,000.



Contribution

Pay uniform percentage of employee-only premium:

50% for standard employers
35% for tax-exempt / nonprofits

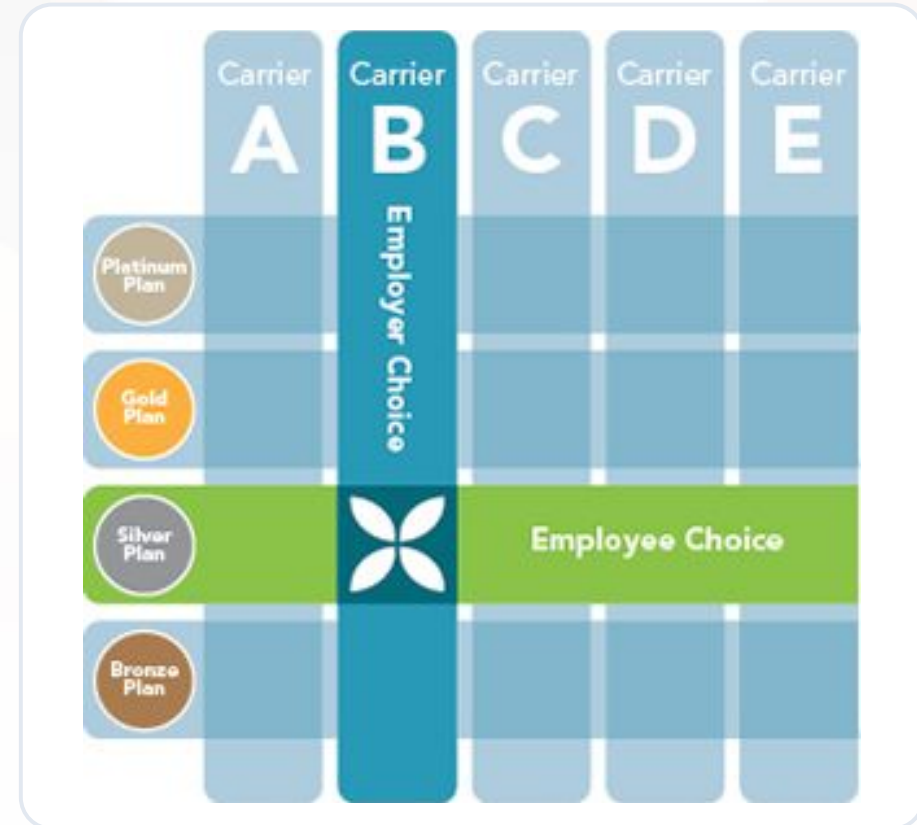
Enrollment Options

Employer Choice

Employer selects one insurance company that offers coverage, and employees may choose any plan from any metal level that insurance company offers.

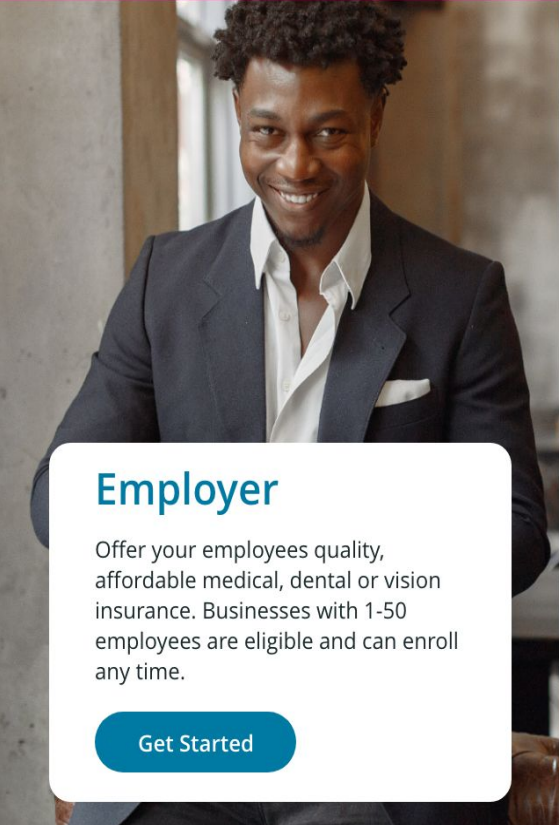
Employee Choice

Employer selects up to two consecutive metal levels of coverage, and employees may choose any plan across all the insurance companies that offer plans at those metal levels.



Enhanced Portal Experience

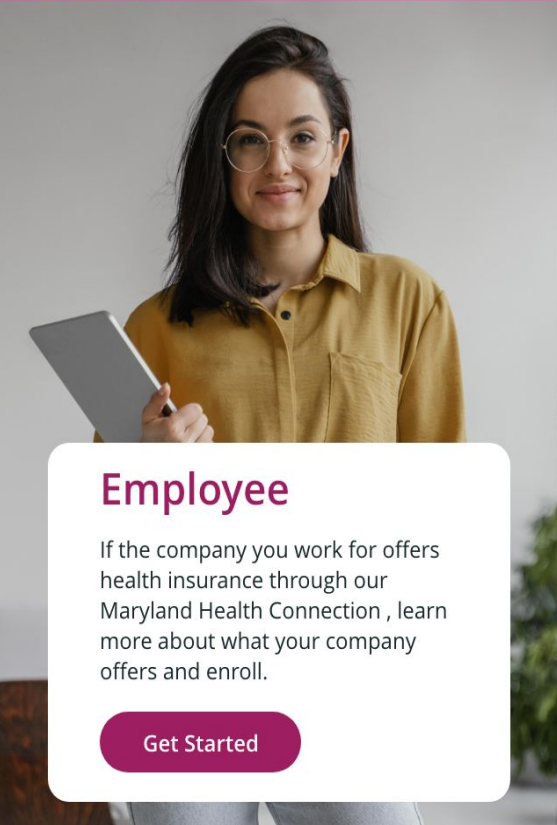
Maryland Health Connection for Small Business



Employer

Offer your employees quality, affordable medical, dental or vision insurance. Businesses with 1-50 employees are eligible and can enroll any time.

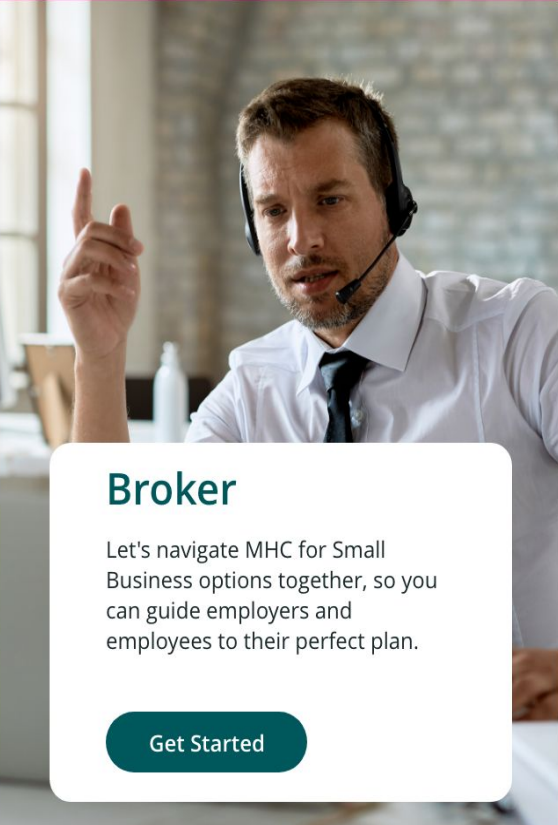
[Get Started](#)



Employee

If the company you work for offers health insurance through our Maryland Health Connection, learn more about what your company offers and enroll.

[Get Started](#)



Broker

Let's navigate MHC for Small Business options together, so you can guide employers and employees to their perfect plan.

[Get Started](#)

MHC for Small Business Enrollment Trends

2026 GROUPS

153

2026 COVERED LIVES

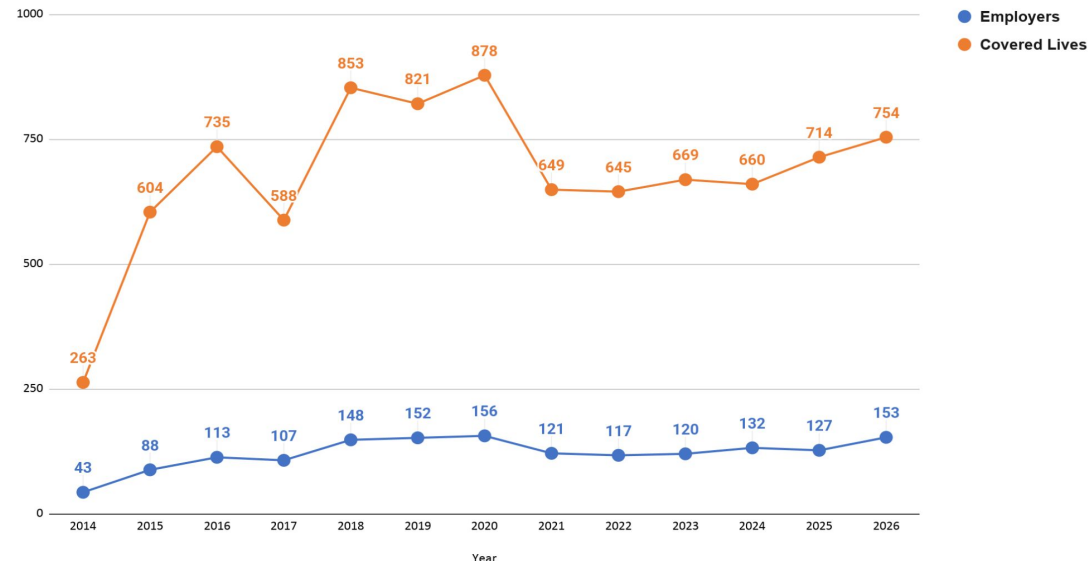
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GROWTH

+20.5%

Enrollment Growth Trend

YOY Employers and Covered Lives



Outreach & Education Program

A Three-Step Path to Promoting Health Coverage

01

Watch Videos

Watch two 7-minute Employer Videos

02

Schedule a Presentation

Schedule a presentation for your employees with a certified MHBE broker

03

Sign Up & Receive Seal

Sign up for coverage to receive a MHC for Small Business Seal

maryland health
connection™
for small business



MHC for Small Business
Outreach & Education Guide

We offer
health
coverage!

maryland health
connection™
for small business

Continuing Efforts

Statewide News

News stories with statewide media recognizing small business success.

Regional Press Events

Regional press events to promote MHC for Small Business and brokers (on-site) on their success, benefits of tax incentive program and financial incentives, and employee retention.

Media Interviews

Statewide newspapers and radio stations to interview business owners about their success since enrolling on MHC for Small Business.

Social Media

Connecting across platforms



LinkedIn



MHBE Sponsored Events for Small Business

MHC's After Hours for Small Businesses are exclusive networking events that connect entrepreneurs with valuable state resources, industry experts, and business support partners in a relaxed, engaging environment, enhancing awareness of available resources and empowering business owners to take actionable steps toward improving their operations and employee offerings.



Collaboration That Connects Brokers to Resources

Successful broker education and engagement event featuring 2 CE credits, Kaiser Permanente's integrated care model, MHC for Small Business Portal education, and a guided medical center tour.

The event combined professional education, MHC-SB program awareness, networking, and an immersive Kaiser Permanente experience to strengthen broker engagement.



Resources, Fact Sheets and Merchandise

What is MHC for Small Business?

Overview materials available in English and Spanish

Small Business Tax Credits

Eligibility rules, savings benefits, and fact sheet

How to Get Help

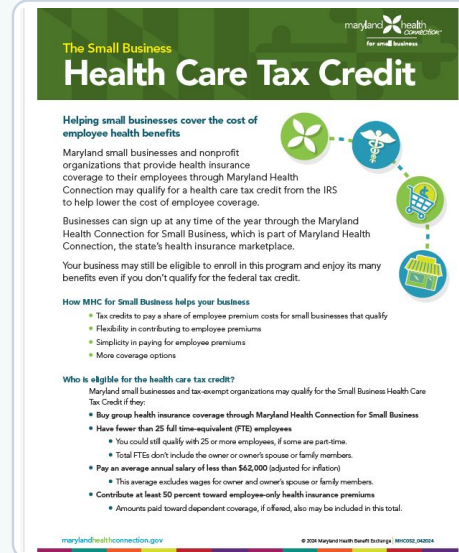
Promoting free support from authorized brokers

Brochure: Employer Coverage

"Need Health Insurance for Your Employees?" guide

Testimonials & Merchandise

Feedback from brokers, business owners, and employees



Small Business Online Resources

www.marylandhealthconnection.gov/smallbusiness

Overview & Benefits

- Maryland Health Connection for Small Business Guide (PDF)
- Health Coverage and Savings for Small Businesses (PDF)
- The Small Business Healthcare Tax Credit (PDF) (en español)

Brokers

- Broker Policy Guide 2025-2026 (PDF)
- **Broker Authorization Info:**
marylandhbe.com/brokers

Employers

- Employer Guide 2025-2026 (PDF)

Employees

- New Employees- How to Enroll (PDF)
- MHC for Small Business Employee Guide 2025-2026 (PDF)

Possible Changes to Stop-loss Regulation for the Small-group Market

Stop-loss insurance is sold to employers who choose to self-fund health insurance for their employees. The employer pays employees' medical claims directly out of pocket, and the stop-loss insurer reimburses the company for any claims that go over a pre-set threshold, called an attachment point. This helps to protect employers from catastrophic or unpredictable financial losses.

Modification Options

1. Changing the aggregate attachment point allowed by law
2. Changing the specific attachment point allowed by law
3. Requiring that small businesses have a minimum number of employees in order to be sold a stop-loss policy.
4. New marketing requirements for stop-loss insurance

Possible Support for ICHRA/CHOICE Plans

This arrangement allows employers to set a fixed monthly amount they will give to employees to use towards health insurance on the individual market. Allowances can vary based on employee classes (full-time vs. part-time) or family size. Employees choose and buy their own health insurance and then submit proof of premium or medical costs, and the employer reimburses them tax-free up to the set allowance limit.

- An employee cannot receive both an Advance Premium Tax Credit (APTC) and employer reimbursements through an ICHRA at the same time.
- Off exchange individual market plans can be hard to find.
- Many employers and HR professionals are not aware of this option.
- Could potentially remove healthier groups from the small-group market.

States Are Beginning to Support the ICHRA Market Through Additional Incentives and Integration

Exchange	ICHRA Model	Level of Exchange Involvement
Georgia Access	Georgia Access for Business (GAB)	Full employer-facing model — state-administered ICHRA platform supporting setup, administration, compliance, broker connections and employee coverage
Access Health CT	BusinessPlus	Full employer-facing model — exchange-developed ICHRA platform allowing employers to offer individual-market coverage through AHCT
Covered California	Exchange-supported ICHRA enrollment	Individual-market integration — exchange provides ICHRA information, affordability tools and enrollment/SEP support
Virginia's Insurance Marketplace	Exchange-supported ICHRA enrollment	Individual-market integration — exchange supports ICHRA affordability determination, SEP and enrollment

Individual and Small Group Market Merger?

- Several states have merged their individual and small group ACA markets - Massachusetts, Maine, and the District of Columbia
- Vermont recently “unmerged” its market
- Considerations
 - Impact on rates
 - Reinsurance
 - Product Offerings
- More modeling needed

Written Comments

Written comments will be accepted through EOD Thursday, October 15, 2026, on topics covered in today's meeting.

Those can be submitted via email to:

amelia.marcus@maryland.gov & jamie.sexton@maryland.gov

Contact Information

Maryland Insurance Administration

800-492-6116 (toll-free)

410-468-2000 (local)

800-735-2258 (TTY)

insurance.maryland.gov

Maryland Health Connection for Small Business

Consumer Support Center: 877-MD-SM-BIZ (877-637-6249)

mhc.smallbiz@maryland.gov

Questions?



Thank
you