

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 1068  
Health

(Delegate Solomon, *et al.*)

Finance

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Health Insurance - Special Enrollment Period for Newly Hired Employees of  
Small Businesses

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This bill requires certain health insurance carriers to provide a special enrollment period (SEP) for an individual (and the individual’s dependents) if the individual has become employed to work a minimum of 30 hours per week by a small employer that does not offer an employer-sponsored health benefit plan. The SEP must be open for 60 days and begin on the first day of employment of the individual by a small employer that does not offer an employer-sponsored health benefit plan. Coverage must become effective on the first day of the month following the date of plan selection. **The bill takes effect January 1, 2027.**

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Fiscal Summary

**State Effect:** Minimal increase in special fund revenues for the Maryland Insurance Administration (MIA) in FY 2027 only from the \$125 rate and form filing fee; any additional MIA workload can be handled with existing budgeted resources. Any operational impact on the Maryland Health Benefit Exchange is minimal and can be absorbed within existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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## Analysis

### Bill Summary:

#### *Individual Exchange*

A carrier participating in the Individual Exchange must provide an SEP for an individual (and the individual's dependents) if the individual purchases coverage through the Individual Exchange because the individual has become employed to work a minimum of 30 hours per week by a small employer that does not offer an employer-sponsored health benefit plan. The individual must provide the Individual Exchange with a form developed by the Insurance Commissioner and completed by the employer that indicates the first day of employment of the individual, that the individual was hired to work a minimum of 30 hours per week, and each dependent of the individual.

#### *Carriers Outside the Exchange*

Other carriers must provide an SEP for an individual (and the individual's dependents) if the individual purchases coverage outside the Individual Exchange because the individual has become employed to work a minimum of 30 hours per week by a small employer that does not offer an employer-sponsored health benefit plan. The individual must provide the carrier with a form developed by the Commissioner and completed by the employer that indicates the first day of employment of the individual, that the individual was hired to work a minimum of 30 hours per week, and each dependent of the individual.

#### *Start Date of Special Enrollment Period*

The SEP must begin on the first day of the individual's employment, as indicated on the form developed by the Commissioner and provided by the individual to either the Individual Exchange or the carrier, as applicable.

**Current Law:** Carriers must provide SEPs for qualified individuals to enroll or change health benefit plans according to federal regulations. Triggering events include, among others, when an individual or a dependent (1) loses minimum essential coverage, pregnancy-related coverage, or medically needy coverage; (2) gains or becomes a dependent through marriage, birth, adoption, placement for adoption, or placement in foster care, or through a child support order or other court order; (3) loses a dependent or is no longer considered a dependent through divorce or legal separation or if the enrollee or a dependent dies; and (4) gains citizenship or lawfully present status.

## **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Health Benefit Exchange; Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - February 25, 2026  
caw/ljm Third Reader - March 20, 2026  
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