

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1068
Health

(Delegate Solomon)

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

This bill requires certain health insurance carriers to provide a special enrollment period (SEP) for an individual who has become employed 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.**

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; MIA's review of filings and complaints can likely 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.

Analysis

Bill Summary: A carrier participating in the Individual Exchange must provide an SEP for an individual who purchases coverage through the Individual Exchange because the individual has become employed by a small employer that does not offer an employer-sponsored health benefit plan. Other carriers must provide an SEP for an

individual who purchases coverage outside the Individual Exchange because the individual has become employed by a small employer that does not offer an employer-sponsored health benefit plan.

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

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caw/ljm

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