

Reclaiming Safe Harbor Funds for Abortion Access

Maryland's [HB930/SB848](#) & the Opportunity for Other States

Overview

Maryland Governor Wes Moore recently signed [HB930/SB848](#), a groundbreaking model for leveraging unused federal health exchange funds, referred to as Safe Harbor funds, to expand access to abortion care.

What Are Safe Harbor Funds?

Under the Affordable Care Act (ACA), insurance carriers in states that allow abortion coverage on their exchange must collect a separate premium (min. \$1/month per enrollee) specifically for abortion services and keep these funds segregated from federal premium subsidies. Because the amount collected often exceeds the cost of providing care to enrollees, the accounts frequently hold a surplus.

What did Maryland's HB930/SB848 accomplish?

- Reclaimed \$25 million in surplus Safe Harbor funds.
- Created a grant program to support abortion care access for uninsured and underinsured individuals in Maryland.
- Enabled state resources already earmarked for abortion services to be used more effectively and equitably.

Why Maryland's HB930 Model Could Benefit Other States

- **Reclaims Untapped Resources:** In states that allow abortion coverage on their ACA exchanges, insurance carriers are required to collect segregated premiums—commonly known as Safe Harbor funds—specifically for abortion services. These dollars often accumulate in surplus because the cost of care is lower than the total collected. Like Maryland, states can reclaim and reinvest these funds in abortion access, creating a cost-neutral solution to support care for those most in need.
- **Maximizes Existing Infrastructure:** Many states have already made strides in supporting abortion access—through direct appropriations, Medicaid coverage, or practical support programs. Reclaiming Safe Harbor funds can

bolster those efforts without drawing from general revenue, offering a new funding stream that aligns with federal guidelines.

- **Addresses Gaps for the Uninsured:** State programs often focus on people enrolled in Medicaid or other public insurance. Safe Harbor funds, however, could be redirected—like in Maryland—to specifically assist **uninsured or underinsured** individuals, addressing critical coverage gaps and advancing health equity.
- **Leverages State Authority and Policy Alignment:** States that already allow abortion coverage in their exchange plans meet the baseline requirements to pursue this strategy. By using regulatory or legislative tools to unlock and redirect Safe Harbor fund surpluses, state leaders can take bold, budget-neutral action to protect and expand abortion access—especially important as federal protections continue to erode.

Policy & Strategy Support

Maryland's Delegate Lesley Lopez is eager to share insights and legislative strategy from HB930. All* is also working to convene a group of state legislators, financial officers, and governor's staff to explore how this approach can be implemented in other states.