

SENATE BILL 769

C3

3lr2049

By: **Senators Raskin, Madaleno, and Montgomery**

Introduced and read first time: February 1, 2013

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 19, 2013

CHAPTER _____

1 AN ACT concerning

2 **Health Benefit Plans – Proposed Rate Increases – Notice to Insureds**

3 FOR the purpose of requiring health insurance carriers ~~that file a proposed rate~~
4 ~~increase for a health benefit plan with the Maryland Insurance Commissioner~~
5 ~~to send certain notice in a certain manner to insureds affected by the proposed~~
6 ~~rate increase; authorizing the notice to be sent by electronic mail under certain~~
7 ~~circumstances; authorizing the Commissioner to adopt certain regulations;~~
8 ~~defining a certain term~~ to provide a certain notice to insureds and enrollees, and
9 post a certain notice on the carrier's Web site, that an insured or enrollee may
10 access certain information and submit certain comments relating to proposed
11 rate increases on the Maryland Insurance Administration's Web site; and
12 generally relating to notice of proposed rate increases for health benefit plans.

13 ~~BY adding to~~

14 ~~Article – Health – General~~

15 ~~Section 19-706(oooo)~~

16 ~~Annotated Code of Maryland~~

17 ~~(2009 Replacement Volume and 2012 Supplement)~~

18 BY adding to

19 Article – Insurance

20 Section ~~15-140~~ 11-604

21 Annotated Code of Maryland

22 (2011 Replacement Volume and 2012 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 ~~Article – Health – General~~

4 ~~19-706.~~

5 ~~(0000) THE PROVISIONS OF § 15-140 OF THE INSURANCE ARTICLE~~
6 ~~APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.~~

7 Article – Insurance

8 ~~15-140.~~

9 ~~(A) IN THIS SECTION, “CARRIER” MEANS:~~

10 ~~(1) AN INSURER;~~

11 ~~(2) A NONPROFIT HEALTH SERVICE PLAN;~~

12 ~~(3) A HEALTH MAINTENANCE ORGANIZATION;~~

13 ~~(4) A DENTAL PLAN ORGANIZATION; OR~~

14 ~~(5) ANY OTHER PERSON THAT PROVIDES HEALTH BENEFIT PLANS~~
15 ~~SUBJECT TO REGULATION BY THE STATE.~~

16 ~~(B) AT THE TIME OF FILING A PROPOSED RATE INCREASE FOR A~~
17 ~~HEALTH BENEFIT PLAN WITH THE COMMISSIONER, A CARRIER SHALL SEND~~
18 ~~WRITTEN NOTICE TO EACH INSURED AFFECTED BY THE PROPOSED RATE~~
19 ~~INCREASE THAT:~~

20 ~~(1) THE CARRIER HAS FILED A PROPOSED RATE INCREASE FOR~~
21 ~~THE INSURED’S HEALTH BENEFIT PLAN WITH THE COMMISSIONER; AND~~

22 ~~(2) THE INSURED MAY COMMENT ON THE PROPOSED RATE~~
23 ~~INCREASE BY SUBMITTING COMMENTS TO THE COMMISSIONER;~~

24 ~~(i) DURING THE 30-DAY PUBLIC COMMENT PERIOD AFTER~~
25 ~~THE RATE INCREASE IS FILED; AND~~

26 ~~(ii) IN THE MANNER PROVIDED FOR ON THE~~
27 ~~ADMINISTRATION’S WEB SITE.~~

1 ~~(C) IF A CARRIER HAS AN ELECTRONIC MAIL ADDRESS FOR AN INSURED~~
 2 ~~AFFECTED BY A PROPOSED RATE INCREASE FOR A HEALTH BENEFIT PLAN, THE~~
 3 ~~CARRIER MAY PROVIDE THE NOTICE REQUIRED BY SUBSECTION (B) OF THIS~~
 4 ~~SECTION TO THE INSURED BY ELECTRONIC MAIL.~~

5 ~~(D) THE COMMISSIONER MAY ADOPT REGULATIONS TO IMPLEMENT~~
 6 ~~THIS SECTION.~~

7 11-604.

8 A CARRIER SHALL PROVIDE NOTICE ANNUALLY TO ITS INSUREDS AND
 9 ENROLLEES, AND POST A NOTICE ON THE CARRIER'S WEB SITE, THAT AN
 10 INSURED OR ENROLLEE MAY ACCESS INFORMATION ABOUT PROPOSED RATE
 11 INCREASES AND SUBMIT COMMENTS REGARDING PROPOSED RATE INCREASES
 12 ON THE ADMINISTRATION'S WEB SITE.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 14 October 1, 2013.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.