

Article - Insurance

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§15–405.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Carrier” means:
- (i) an insurer that holds a certificate of authority in the State and provides health insurance in the State;
 - (ii) a health maintenance organization that is licensed to operate in the State; or
 - (iii) a nonprofit health service plan that is licensed to operate in the State.
- (3) “Health insurance coverage” means health care coverage under which medical care services can be provided to a child.
- (4) “Insuring parent” means a parent who:
- (i) is required under a court or administrative order to provide health insurance coverage for a child; or
 - (ii) otherwise provides health insurance coverage for a child.
- (5) “Medical support notice” means a notice that is:
- (i) in a format prescribed by federal law; and
 - (ii) issued by a child support agency to enforce the health insurance coverage provisions of a child support order.
- (6) “Order” means a ruling that:
- (i) is issued by a court of this State or another state or an administrative agency of another state; and
 - (ii)
 1. creates or recognizes the right of a child to receive benefits under a parent’s health insurance coverage; or
 2. establishes a parent’s obligation to pay child support and provide health insurance coverage for a child.
- (7) “Qualified medical support order” means a medical child support order issued under State law that complies with § 609(a) of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) This section applies to:

(1) insurers, nonprofit health service plans, and health maintenance organizations that operate in the State under a certificate of authority;

(2) group health plans, as defined in § 607(1) of the Employee Retirement Income Security Act of 1974 (ERISA); and

(3) persons that offer a service benefit plan, as defined in federal law.

(c) If a parent eligible for family members' coverage is required under an order to provide health insurance coverage for a child, an entity subject to this section:

(1) shall allow the insuring parent to enroll in family members' coverage and include the child in that coverage regardless of enrollment period restrictions;

(2) if the insuring parent is enrolled in health insurance coverage but does not include the child in the enrollment, shall:

(i) allow the noninsuring parent, child support enforcement agency, or Department of Health and Mental Hygiene to apply for enrollment on behalf of the child; and

(ii) include the child in the coverage regardless of enrollment period restrictions; and

(3) may not terminate health insurance coverage for the child unless written evidence is provided to the entity that:

(i) the order is no longer in effect;

(ii) the child has been or will be enrolled under other reasonable health insurance coverage that will take effect on or before the effective date of the termination;

(iii) the employer has eliminated family members' coverage for all of its employees; or

(iv) the employer no longer employs the insuring parent, except that if the parent elects to exercise the provisions of the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), coverage shall be provided for the child consistent with the employer's plan for postemployment health insurance coverage for dependents.

(d) Notwithstanding any other provision of this article, an entity subject to this section may not deny enrollment of a child under the health insurance coverage of an insuring parent because the child:

- (1) was born out of wedlock;
- (2) is not claimed as a dependent on the insuring parent's federal income tax return;
- (3) does not reside with the insuring parent or in the service area of the entity; or
- (4) is receiving benefits or is eligible to receive benefits under the Maryland Medical Assistance Program.

(e) If a child has health insurance coverage through an insuring parent, an entity subject to this section shall:

- (1) provide to the noninsuring parent membership cards, claims forms, and any other information necessary for the child to obtain benefits through the health insurance coverage; and

- (2) process the claims forms and make appropriate payment to the noninsuring parent, health care provider, or Department of Health and Mental Hygiene if the noninsuring parent incurs expenses for health care provided to the child.

(f) Within 20 business days after receipt of a medical support notice from an employer, the carrier:

- (1) shall determine whether the medical support notice contains:

- (i) the employee's name and mailing address; and

- (ii) the child's name and the child's mailing address or the address of a substituted official;

- (2) if the medical support notice does not contain the information described in paragraph (1) of this subsection, shall complete and forward the appropriate part of the medical support notice to the issuing child support enforcement agency advising that the medical support notice does not constitute a qualified medical child support order; and

- (3) if the medical support notice contains the information described in paragraph (1) of this subsection, shall comply with the following requirements:

- (i) determine the child's eligibility for enrollment;

- (ii) complete and send the appropriate part of the medical support notice to the employer and the child support enforcement administration;

- (iii) enroll the child if the child is eligible for enrollment, subject to

subsection (g) of this section;

(iv) send to the employee, child, and custodial parent of the child a written notice that explains that the coverage of the child is or will become available to the child; and

(v) send to the custodial parent of the child a written description of:

1. the health insurance coverage;
2. the effective date of coverage;
3. the employee's cost for the health insurance coverage; and
4. if not already provided:
 - A. a summary plan description;
 - B. any forms, documents, or information necessary to effectuate coverage; and
 - C. any information necessary to submit claims for benefits.

(g) If the employee's eligibility for health insurance coverage is subject to a waiting period that has not been completed, the carrier:

(1) shall complete and send the appropriate part of the medical support notice to the employer and the issuing child support agency within 20 business days after receipt of the medical support notice from the employer; and

(2) on the employee's satisfaction of the waiting period, shall complete enrollment of the child in accordance with this section and send the notice and information required under subsection (f)(3) of this section.

(h) If the employee's health insurance plan requires that the employee be enrolled in order for the child to be enrolled and the employee is not currently enrolled, the carrier shall enroll both the employee and the child, without regard to enrollment period restrictions, within the time period specified in subsection (f) of this section.

(i) If a child is eligible for enrollment, the carrier shall complete the enrollment without regard to enrollment period restrictions, within the time periods specified in subsections (f) and (g) of this section.

(j) The requirement for notification of the child under subsection (f)(3)(iv) of this section may be satisfied by notifying the custodial parent if the child and the custodial parent live at the same address.

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