

Article - Insurance

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§11-603.

(a) A carrier subject to this subtitle may not charge a premium to a contract holder or to an individual covered under a health benefit plan before the applicable premium rate is filed with and approved by the Commissioner.

(b) A carrier subject to this subtitle may not change the premium charged to a contract holder or to an individual covered under a health benefit plan until the applicable premium rate change has been filed with and approved by the Commissioner.

(c) (1) Any applicable premium rate or premium rate change of a carrier subject to this subtitle shall be filed with the Commissioner:

(i) for insurers, in accordance with § 12-203 of this article and regulations adopted under Title 31, Subtitle 10 of the Code of Maryland Regulations;

(ii) for nonprofit health service plans, in accordance with § 14-126 of this article; and

(iii) for health maintenance organizations, in accordance with § 19-713 of the Health – General Article and regulations adopted under Title 31, Subtitle 12 of the Code of Maryland Regulations.

(2) (i) The Commissioner shall disapprove or modify a proposed premium rate filing if the proposed premium rates appear, based on statistical analysis and reasonable assumptions, to be inadequate, unfairly discriminatory, or excessive in relation to benefits.

(ii) In determining whether to disapprove or modify a premium rate filing of a carrier, the Commissioner shall consider, to the extent appropriate:

1. past and prospective loss experience in and outside the State;

2. underwriting practice and judgment;

3. a reasonable margin for reserve needs;

4. past and prospective expenses, both countrywide and those specifically applicable to the State; and

5. any other relevant factors in and outside the State.

(3) (i) Each premium rate filing and any supporting information filed

under this subtitle shall be open to public inspection as soon as filed.

(ii) A carrier may request a finding by the Commissioner that certain information filed with the Commissioner be considered confidential commercial information under § 4-335 of the General Provisions Article and not subject to public inspection.

(iii) On request and payment of a reasonable fee, a person may obtain copies of a premium rate filing and any supporting information.

(d) Notwithstanding the Commissioner's previous approval of a premium rate filing of a carrier subject to this section, the Commissioner, at any time, may require the carrier to demonstrate that, based on statistical analysis and reasonable assumptions and considering the factors listed in subsection (c)(2) of this section, its premium rates for a health benefit plan are not inadequate, unfairly discriminatory, or excessive in relation to benefits.

(e) (1) If, after the applicable review period, the Commissioner finds that the premium rates in a premium rate filing of a carrier subject to this section are inadequate, unfairly discriminatory, or excessive, as determined under subsection (c)(2) of this section, the Commissioner shall issue to the carrier an order that:

(i) specifies the reasons why the premium rate filing is inadequate, unfairly discriminatory, or excessive in relation to benefits under subsection (c)(2) of this section; and

(ii) states when, within a reasonable period after the order, the premium rate filing will no longer be effective.

(2) (i) The Commissioner shall hold a hearing before issuing an order under paragraph (1) of this subsection.

(ii) The Commissioner shall give written notice of the hearing to the carrier at least 10 days before the hearing.

(iii) The written notice shall specify the matters to be considered at the hearing.

(3) An order issued under paragraph (1) of this subsection does not affect a health benefit plan issued or delivered before the expiration of the period stated in the order.

(f) Each decision or finding of the Commissioner about premium rates made under this subtitle is subject to judicial review in accordance with Subtitle 5 of this title.

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