Article - Insurance

[Previous][Next]

§15–1104.

(a) (1) In this section the following words have the meanings indicated.

(2) "Employer sponsored health benefit plan" means any plan, fund, or program that:

(i) is established or maintained by an employer under the Employee Retirement Income Security Act of 1974;

(ii) offers coverage for health benefits; and

(iii) is treated by the employer or any eligible employee or dependent as part of a plan, fund, or program under the United States Internal Revenue Code, 26 U.S.C. § 106, § 125, or § 162.

(3) "Group health insurance" has the meaning stated in § 15–302 of this title.

(4) "Limited benefit group health insurance contract" means a group health insurance contract that provides health insurance benefits, but is not required to provide all the benefits required under Subtitles 7 and 8 of this title.

(5) "Special eligible employee" means an employee who:

(i) is eligible for health coverage under the terms of an employer sponsored health benefit plan;

(ii) works:

1. on a temporary or substitute basis; or

2. less than 30 hours in a normal workweek; and

(iii) is not eligible for coverage under any group health insurance contract, nonprofit health service plan contract, or health maintenance organization contract issued to the employee's employer because the employee meets the criteria of item (ii) of this paragraph.

(b) A limited benefit group health insurance contract may be issued only by an insurer or nonprofit health service plan to an employer if the limited group health insurance contract is issued to provide health coverage only for:

(1) special eligible employees; or

(2) special eligible employees and their dependents.

(c) An insurer or nonprofit health service plan that sells a limited benefit group health insurance contract, as a condition of sale, may require the employer to:

(1) collect payment for premiums due under the limited benefit group health insurance contract through payroll deduction;

(2) contribute to the premium payments applicable to the coverage of a special eligible employee; and

(3) offer coverage to any dependent of a special eligible employee.

(d) A limited benefit group health insurance contract shall comply with:

(1) this title, except Subtitles 7 and 8 of this title; and

(2) notwithstanding item (1) of this subsection, §§ 15–802, 15–812, 15–815, 15–830, 15–831, 15–832, and 15–833 of this title.

(e) An insurer or nonprofit health service plan shall disclose in the group certificate and in enrollment material provided to each special eligible employee that the limited benefit group health insurance contract does not provide comprehensive health coverage.

[Previous][Next]