

## Article - Insurance

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§15–1201.

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

(b) “Board” means the Board of Directors of the Pool established under § 15–1216 of this subtitle.

(c) “Carrier” means a person that:

(1) offers health benefit plans in the State covering eligible employees of small employers; and

(2) is:

(i) an authorized insurer that provides health insurance in the State;

(ii) a nonprofit health service plan that is licensed to operate in the State;

(iii) a health maintenance organization that is licensed to operate in the State; or

(iv) any other person or organization that provides health benefit plans subject to State insurance regulation.

(d) “Commission” means the Maryland Health Care Commission established under Title 19, Subtitle 1 of the Health – General Article.

(e) “Coverage level” has the meaning stated in § 31–101 of this article.

(f) (1) “Eligible employee” means an employee who is offered coverage under a health benefit plan by a small employer.

(2) “Eligible employee”, at the option of the small employer, may include:

(i) only full–time employees; or

(ii) full–time employees and part–time employees.

(g) “Employee” means an individual who is employed by a small employer.

(h) (1) “Full–time employee” means, with respect to a calendar month, an employee of a small employer who works, on average, at least 30 hours per week.

(2) “Full–time employee” does not include a seasonal employee as defined

in federal law.

(i) (1) “Health benefit plan” means:

(i) a policy or certificate for hospital or medical benefits issued by an insurer;

(ii) a nonprofit health service plan contract; or

(iii) a health maintenance organization subscriber or group master contract.

(2) “Health benefit plan” includes a policy or certificate for hospital or medical benefits that covers residents of this State who are eligible employees and that is issued through:

(i) a multiple employer trust or association located in this State or another state; or

(ii) a professional employer organization, coemployer, or other organization located in this State or another state that engages in employee leasing.

(3) “Health benefit plan” does not include:

(i) accident-only insurance;

(ii) credit health insurance;

(iii) disability income insurance;

(iv) coverage issued as a supplement to liability insurance;

(v) workers’ compensation or similar insurance;

(vi) automobile medical payment insurance;

(vii) the following benefits, if the benefits are provided under a separate policy, certificate, or contract, or are not otherwise an integral part of a small employer health benefit plan:

1. dental benefits;

2. vision benefits; or

3. long-term care insurance as defined in § 18-101 of this article;

(viii) disease-specific insurance if:

1. the benefits are provided under a separate policy, certificate, or contract;

2. there is no coordination between the provision of the benefits and an exclusion of benefits under any group health plan maintained by the same employer; and

3. the benefits are paid with respect to an event, without regard to whether benefits are provided with respect to the event under any group health plan maintained by the same employer;

(ix) hospital indemnity or other fixed indemnity insurance if:

1. the benefits are provided under a separate policy, certificate, or contract;

2. there is no coordination between the provision of the benefits and an exclusion of benefits under any group health plan maintained by the same employer;

3. the benefits are paid with respect to an event, without regard to whether benefits are provided with respect to the event under any group health plan maintained by the same employer; and

4. the benefits are payable in a fixed dollar amount per period of time, such as \$100 per day of hospitalization, regardless of the amount of expenses incurred; or

(x) the following supplemental benefits, if the benefits are provided under a separate policy, certificate, or contract:

1. a Medicare supplement policy as defined in § 15–901 of this title;

2. coverage supplemental to the coverage provided under Chapter 55, Title 10 of the United States Code; and

3. similar supplemental coverage provided to coverage under a group health plan if:

A. the coverage is specifically designed to fill gaps in primary coverage, such as coinsurance or deductibles; and

B. the coverage is not supplemental solely because it becomes secondary or supplemental under a coordination of benefits clause.

(j) “Health status–related factor” means a factor related to:

- (1) health status;
- (2) medical condition;
- (3) claims experience;
- (4) receipt of health care;
- (5) medical history;
- (6) genetic information;
- (7) evidence of insurability including conditions arising out of acts of domestic violence; or
- (8) disability.

(k) “Late enrollee” means an eligible employee or dependent who requests enrollment in a health benefit plan after the initial enrollment period provided under the health benefit plan.

(l) “Minimum essential coverage” has the meaning stated in 45 C.F.R. § 155.20.

(m) “Part-time employee” means an employee of a small employer who:

- (1) has a normal workweek of at least 17.5 hours; and
- (2) is not a full-time employee.

(n) “Plan year” means a calendar year or other consecutive 12-month period during which a health benefit plan provides coverage for health care services.

(o) “Pool” means the Maryland Small Employer Health Reinsurance Pool established under this subtitle.

(p) “Preexisting condition” means:

(1) a condition existing during a specified period immediately preceding the effective date of coverage, that would have caused an ordinarily prudent person to seek medical advice, diagnosis, care, or treatment; or

(2) a condition for which medical advice, diagnosis, care, or treatment was recommended or received during a specified period immediately preceding the effective date of coverage.

(q) “Preexisting condition provision” means a provision in a health benefit plan that denies, excludes, or limits benefits for an enrollee for expenses or services related to a preexisting condition.

- (r) “Qualified employer” has the meaning stated in § 31–101 of this article.
- (s) “Qualified health plan” has the meaning stated in § 31–101 of this article.
- (t) “Reinsuring carrier” means a carrier that participates in the Pool.
- (u) “Risk–assuming carrier” means a carrier that does not participate in the Pool.
- (v) “SHOP Exchange” has the meaning stated in § 31–101 of this article.
- (w) “Small employer” has the meaning stated in § 31–101 of this article.
- (x) “Special enrollment period” means a period during which a group health plan shall permit certain individuals who are eligible for coverage, but not enrolled, to enroll for coverage under the terms of the group health benefit plan.
- (y) “Standard Plan” means the Comprehensive Standard Health Benefit Plan adopted by the Commission in accordance with § 15–1207 of this subtitle and Title 19, Subtitle 1 of the Health – General Article.
- (z) “Wellness benefit” means a benefit that:
  - (1) includes a bona fide wellness program as defined in § 15–509 of this title; and
  - (2) complies with regulations adopted by the Commission.
- (aa) (1) “Wellness program” means a program or activity that:
  - (i) is designed to improve health status and reduce health care costs; and
  - (ii) complies with guidelines developed by the Commission.
- (2) “Wellness program” includes programs and activities for:
  - (i) smoking cessation;
  - (ii) reduction of alcohol misuse;
  - (iii) weight reduction;
  - (iv) nutrition education; and
  - (v) automobile and motorcycle safety.

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