

SENATE BILL 212

C3

6lr2018
CF HB 124

By: **Senator Middleton**

Introduced and read first time: January 21, 2016

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Large Employers – Disclosure of Aggregate Incurred Claims**

3 FOR the purpose of requiring a health insurance carrier to disclose certain aggregate
4 incurred claims to a large employer under certain circumstances; requiring the
5 disclosure to be made at certain times and in a certain format; defining certain terms;
6 and generally relating to disclosure of aggregate incurred claims to a large employer
7 by a carrier.

8 BY adding to

9 Article – Insurance

10 Section 15–1411

11 Annotated Code of Maryland

12 (2011 Replacement Volume and 2015 Supplement)

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

15 **Article – Insurance**

16 **15–1411.**

17 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
18 INDICATED.

19 (2) “AGGREGATE INCURRED CLAIMS” MEANS THE TOTAL CLAIMS
20 INCURRED IN THE EXPERIENCE PERIOD THAT THE CARRIER USES TO EXPERIENCE
21 RATE A LARGE EMPLOYER’S HEALTH BENEFIT PLAN.

22 (3) “EXPERIENCE RATING” MEANS THAT A CARRIER DEVELOPS THE
23 PREMIUM RATES FOR AN EMPLOYER’S HEALTH BENEFIT PLAN BASED IN WHOLE OR

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 IN PART ON THE CLAIMS EXPERIENCE OF THE GROUP THAT CONSISTS OF THE
2 EMPLOYER'S EMPLOYEES OR EMPLOYEES' DEPENDENTS.

3 (4) "LARGE EMPLOYER" MEANS AN EMPLOYER THAT IS NOT A SMALL
4 EMPLOYER AS DEFINED IN § 31-101 OF THIS ARTICLE.

5 (B) IF A CARRIER IS EXPERIENCE RATING A LARGE EMPLOYER'S HEALTH
6 BENEFIT PLAN, THE CARRIER SHALL DISCLOSE THE AGGREGATE INCURRED CLAIMS
7 OF THE GROUP TO THE LARGE EMPLOYER:

8 (1) AT THE TIME NEW PREMIUM RATES ARE PROVIDED TO THE LARGE
9 EMPLOYER; AND

10 (2) WITHIN 30 DAYS AFTER A REQUEST FROM THE LARGE EMPLOYER.

11 (C) THE AGGREGATE INCURRED CLAIMS REQUIRED TO BE DISCLOSED
12 UNDER SUBSECTION (B) OF THIS SECTION SHALL BE PROVIDED IN A FORMAT THAT
13 COMPLIES WITH THE PRIVACY REQUIREMENTS OF THE FEDERAL HEALTH
14 INSURANCE PORTABILITY AND ACCESSIBILITY ACT.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
16 1, 2016.