

# SENATE BILL 212

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6lr2018  
CF HB 124

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By: ~~Senator Middleton~~ **Senators Middleton and Serafini**

Introduced and read first time: January 21, 2016

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 11, 2016

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## CHAPTER \_\_\_\_\_

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 a certain ~~times~~ time and in a certain format; defining certain  
6 terms; and generally relating to disclosure of aggregate incurred claims to a large  
7 employer 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.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

4           **(3) “EXPERIENCE RATING” MEANS THAT A CARRIER DEVELOPS THE**  
 5 **PREMIUM RATES FOR AN EMPLOYER’S HEALTH BENEFIT PLAN BASED IN WHOLE OR**  
 6 **IN PART ON THE CLAIMS EXPERIENCE OF THE GROUP THAT CONSISTS OF THE**  
 7 **EMPLOYER’S EMPLOYEES OR EMPLOYEES’ DEPENDENTS.**

8           **(4) “LARGE EMPLOYER” MEANS AN EMPLOYER THAT IS NOT A SMALL**  
 9 **EMPLOYER AS DEFINED IN § 31-101 OF THIS ARTICLE.**

10           **(B) IF A CARRIER IS EXPERIENCE RATING A LARGE EMPLOYER’S HEALTH**  
 11 **BENEFIT PLAN, THE CARRIER SHALL DISCLOSE THE AGGREGATE INCURRED CLAIMS**  
 12 **OF THE GROUP TO THE LARGE EMPLOYER;**

13           ~~**(1) AT THE TIME NEW PREMIUM RATES ARE PROVIDED TO THE LARGE**~~  
 14 ~~**EMPLOYER; AND**~~

15           ~~**(2)**~~   **WITHIN 30 DAYS AFTER RECEIPT OF A REQUEST FROM THE LARGE**  
 16 **EMPLOYER.**

17           **(C) THE AGGREGATE INCURRED CLAIMS REQUIRED TO BE DISCLOSED**  
 18 **UNDER SUBSECTION (B) OF THIS SECTION SHALL BE PROVIDED IN A FORMAT THAT**  
 19 **COMPLIES WITH THE PRIVACY REQUIREMENTS OF THE FEDERAL HEALTH**  
 20 **INSURANCE PORTABILITY AND ACCESSIBILITY ACT.**

21           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
 22 1, 2016.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.