MARYLAND REGISTER

Emergency Action on Regulations

TO BE COMPLETED BY AELR COMMITTEE		TO BE COMPLETED BY DSD
Date Received by AELR Committee	**EMERGENCY** **Transmittal Sheet**	Date Filed with Division of State Documents
11/24/2014		
Emergency Status Approved		Document Number
_-Yes _-No		
Emergency Status Begins On		Date of Publication in MD Register
Emergency Status Ends On		
Name of AELR Committee Counsel		

1. COMAR Codification

Title	Subtitle	Chapter	Regulation
31	10	42	01-.04

2. Name of Promulgating Authority

Maryland Insurance Administration

3. Name of Regulations Coordinator
Catherine E Grason

Telephone Number
410-468-2201

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200 St. Paul Place, Suite 2700

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Baltimore	MD	21202

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Catherine.Grason@maryland.gov

4. Name of Person to Call About this Document **Telephone No.**
Catherine Grason 410-468-2201

Email Address
catherine.grason@maryland.gov

5. Check applicable items:
X- New Regulations
_- Amendments to Existing Regulations
_- Repeal of Existing Regulations
_- Incorporation by Reference of Documents Requiring DSD Approval

6. Date Requested for Emergency Status to Begin: 1/1/2015
Date Requested for Emergency Status to Expire: 4/30/2015

7. Agency Will Take the Following Action on These Regulations
X- Promulgate them in accordance with State Government Article, §§ 10-101 -- 10-126
_- Allow them to expire

8. Is there proposed text which is identical to emergency text:
X- Yes _- No

If yes, corresponding proposed text published in:
X- same issue
_- future issue
_- previous issue; it appeared in
: Md. R
(vol.) (issue) (page no's) (date)
Under Maryland register docket no.: --E.

9. Check the following item if it is included in the attached document:
_- Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

10. Reason for Request for Emergency Status
Section 15-140 of the Insurance Article requires the Commissioner to develop a standard notice for receiving carriers and receiving managed care organizations (“MCOs”) to provide to individuals who are transitioning health coverage from a prior carrier or MCO. Section § 15-140 goes into effect on January 1, 2015 and the regulations need to be in effect at the same time, so that the receiving carriers and receiving managed care organizations will have the standard notice to give to transitioning enrollees. The emergency regulations set forth the standard notice.

11. Certificate of Authorized Officer

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by J. Van Dorsey, Assistant Attorney General, (telephone #410-468-2023) on 11/20/14. A signed copy of the approval is on file at this agency.

Name of Authorized Officer
Therese M. Goldsmith

Title
Insurance Commissioner

Telephone No.
410-468-2090

Date
11/24/14

Title 31
MARYLAND INSURANCE ADMINISTRATION

Subtitle 10 HEALTH INSURANCE — GENERAL

31.10.42 Continuity of Health Care Notice

Authority: Insurance Article, §§2-109(a)(1),15-140, and 15-10D-01, Annotated Code of Maryland and Chapter 159 of 2013, Section 3

Notice of Emergency Action

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The Joint Committee on Administrative, Executive, and Legislative Review has granted emergency status to new regulations .01-.04 under new chapter COMAR 31.10.42 Continuity of Health Care Notice.

Emergency status began:

Emergency status expires:

Comparison to Federal Standards

There is no corresponding federal standard to this emergency action.

Estimate of Economic Impact

The emergency action has no economic impact.

Economic Impact on Small Businesses

The emergency action has minimal or no economic impact on small businesses.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 2015

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

No

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

No funding is necessary to implement these regulations. The regulations will not have an impact on the Maryland Insurance Administration beyond that which is already required by statute. Section 15-140 of the Insurance Article requires the Commissioner to develop a standard notice for receiving carriers and receiving managed care organizations ("MCOs") to provide to individuals who are transitioning health coverage from a prior carrier or MCO. The proposed regulations set forth the standard notice.

E. If these regulations have no economic impact under Part A, indicate reason briefly:

These regulations do not have an economic impact under Part A because the regulations are providing standard text for a notice that is already required to be provided by statute.

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

These proposed regulations would apply to a small business only to the extent that a carrier would fall under the definition of "small business." However, these regulations merely provide the text of the standard notice and guidance on who would receive it and the timing of the notice. The requirement to provide the notice already appears in statute.

G. Response to small business worksheet:

Attached Document:

Title 31 MARYLAND INSURANCE ADMINISTRATION

Subtitle 10 HEALTH INSURANCE — GENERAL

Chapter 42 Continuity of Health Care Notice

Authority: Insurance Article, §§2-109(a)(1),15-140, and 15-10D-01, Annotated Code of Maryland and Chapter 159 of 2013, Section 3

.01 Scope.

This chapter applies to each:

A. Receiving carrier that issues or delivers individual or group health benefit plans in Maryland; and

B. Receiving managed care organization that enrolls Program recipients in Maryland.

.02 Definitions.

A. In this chapter, the following terms have the meanings indicated.

B. Terms Defined.

(1) "Carrier" means:

(a) An insurer authorized to sell health insurance;

(b) A nonprofit health service plan;

(c) A health maintenance organization;

(d) A dental plan organization; or

(e) Any other entity providing a plan of health insurance, health benefits, or health services authorized under the Insurance Article of the Annotated Code of Maryland or the Affordable Care Act.

(2) "Enrollee" means a:

(a) Person entitled to health care benefits from a carrier; or

(b) Program recipient who is enrolled in a managed care organization.

(3) "Health benefit plan" has the meaning stated in Insurance Article, § 15-140, Annotated Code of Maryland.

(4) "Managed care organization" means:

(a) A certified health maintenance organization that is authorized to receive medical assistance prepaid capitation payments;

(b) A corporation that:

(i) Is a managed care system that is authorized to receive medical assistance prepaid capitation payments;

(ii) Enrolls only Program recipients or individuals or families served under the Maryland Children's Health Program; and

(iii) Is subject to the requirements of Health-General Article, § 15-102.4, Annotated Code of Maryland.; or

(c) A prepaid dental plan that receives fees to manage dental services.

(5) "Program recipient" means an individual who receives benefits under the Maryland Medical Assistance Program.

(6) "Receiving carrier" means the carrier that issues the new health benefit plan when an enrollee transitions from another carrier or a managed care organization.

(7) "Receiving managed care organization" means the managed care organization that accepts the enrollee when the enrollee transitions from another managed care organization or a carrier.

(8) "Relinquishing carrier" means a carrier that issued the prior health benefit plan when an enrollee transitions to a new carrier or a managed care organization.

(9) "Relinquishing managed care organization" means a managed care organization in which an enrollee had been enrolled prior to the enrollee's transition to a new managed care organization or a carrier.

(10) "Transitioning enrollee" means an enrollee:

(a) Who has an effective date of coverage with a receiving carrier or a receiving managed care organization on or after January 1, 2015, under a contract that is issued or renewed on or after January 1, 2015; and

(b) Whose coverage under the receiving carrier or receiving managed care organization began within one month of the date coverage terminated under the:

(i) Health benefit plan with a relinquishing carrier; or

(ii) Relinquishing managed care organization.

.03 Requirement to Provide Continuity of Health Care Notice.

A. A receiving carrier shall send a transitioning enrollee the Continuity of Health Care Notice set forth in Regulation .04A of this chapter:

(1) Except as provided in §A(2) of this regulation, within 30 days of the enrollee's effective date of coverage; and

(2) If the enrollee's coverage is made effective retroactively, within 30 days of the date the receiving carrier is notified of the enrollment.

B. A receiving managed care organization shall send a transitioning enrollee the Continuity of Health Care Notice set forth in Regulation .04B of this chapter:

(1) Except as provided in §B(2) of this regulation, within 30 days of the enrollee's effective date of coverage; and

(2) If the enrollee's coverage is made effective retroactively, within 30 days of the date the receiving managed care organization is notified of the enrollment.

C. The Continuity of Health Care Notices shall be in the language and format described in Regulation .04 of this chapter in not less than 12-point type.

.04 Continuity of Health Care Notice.

A. The following form is to be used by receiving carriers as the Continuity of Health Care Notice required by Regulation .03A of this chapter:

(SEE FORM EMAILED AS SEPARATE FORM)

B. The following form is to be used by receiving managed care organizations as the Continuity of Health Care Notice required by Regulation .03B of this chapter:

(SEE FORM EMAILED AS SEPARATE FORM)