

SENATE BILL 821

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4r1907
CF HB 827

By: **Senator Feldman**

Introduced and read first time: February 2, 2024

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 17, 2024

CHAPTER _____

1 AN ACT concerning

2 **Maryland Insurance Administration – Professional Employer Organizations –**
3 **Study**

4 FOR the purpose of requiring the Maryland Insurance Administration to study professional
5 employer organizations in the State; and generally relating to health coverage and
6 professional employer organizations.

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
8 That:

9 (a) The Maryland Insurance Administration shall study professional employer
10 organizations in the State.

11 (b) In conducting the study, the Administration shall:

12 (1) identify and compare the regulation of professional employer
13 organizations under federal and State law and in other states;

14 (2) review the history of professional employer organization activities in
15 the State and elsewhere and changes to the professional employer organization industry
16 over time;

17 (3) review professional employer organization health plans and plan
18 benefit designs;

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 (4) review ~~membership and other~~ requirements that businesses must meet
 2 to participate in professional employer organization arrangements and to access
 3 professional employer organization health plans;

4 (5) examine the regulatory structures for health insurance and
 5 professional employer organizations in other states and under federal law that allow
 6 individuals who are co-employed through a professional employer organization
 7 arrangement and have a workplace employer that is a small employer to participate in the
 8 professional employer organization's large group plan; and

9 (6) ~~determine the~~ address any potential ~~impact~~ impacts of proposed
 10 statutory changes in the State relating to the offering of health coverage by professional
 11 employer organizations on the small group market in the State.

12 (c) On or before December 31, 2024, the Maryland Insurance Administration
 13 shall report its findings to the House Health and Government Operations Committee and
 14 the Senate Finance Committee in accordance with § 2-1257 of the State Government
 15 Article.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 17 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.