

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 1358

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 16, after “terms;” insert “authorizing the Insurance Commissioner to adopt certain regulations; requiring the Insurance Commissioner to report to certain committees of the General Assembly at certain times;”; in the same line, strike “date” and substitute “dates”; and in the same line, after “Act;” insert “providing for the effective date of certain requirements of this Act; providing that certain requirements of this Act shall be implemented no later than a certain date;”.

AMENDMENT NO. 2

On page 2, after line 34, insert:

“BY repealing and reenacting, with amendments,

Article - Health - General

Section 19-706(n)

Annotated Code of Maryland

(1996 Replacement Volume and 1996 Supplement)

(As enacted by Section 2 of this Act)”.

AMENDMENT NO. 3

On page 5 in line 11, on page 15 in line 1, on page 24 in line 19, and on page 34 in line 6, in each instance, after “TIME” insert “BEGINNING ON THE DATE OF ENROLLMENT AND”.

On page 5 in line 12, and on page 24 in line 20, in each instance, after “MONTHS,” insert “OR 3 MONTHS IN THE CASE OF A LATE ENROLLEE,”.

On page 15 in line 2, and on page 34 in line 7, in each instance, after “MONTHS” insert “OR 3 MONTHS IN THE CASE OF A LATE ENROLLEE,”.

(Over)

AMENDMENT NO. 4

On page 8 in line 16, and on page 27 in line 23, in each instance, strike “OR”.

On page 8 in line 25, and on page 27 in line 32, in each instance, after “104-191” insert “;

(III) THE FOLLOWING BENEFITS IF OFFERED AS INDEPENDENT, NONCOORDINATED BENEFITS:

1. COVERAGE ONLY FOR A SPECIFIED DISEASE OR ILLNESS;
AND

2. HOSPITAL INDEMNITY OR OTHER FIXED INDEMNITY INSURANCE; OR

(IV) THE FOLLOWING BENEFITS IF OFFERED AS A SEPARATE INSURANCE POLICY:

1. MEDICARE SUPPLEMENTAL HEALTH INSURANCE (AS DEFINED UNDER § 1882(G)(1) OF THE SOCIAL SECURITY ACT);

2. COVERAGE SUPPLEMENTAL TO THE COVERAGE PROVIDED UNDER CHAPTER 55 OF TITLE 10, UNITED STATES CODE; AND

3. SIMILAR SUPPLEMENTAL COVERAGE PROVIDED TO COVERAGE UNDER AN EMPLOYER SPONSORED PLAN”.

On page 17 in line 20, and on page 36 in line 27, in each instance, strike the second “OR”.

On page 17 in line 30, and on page 36 in line 37, in each instance, after “ACT” insert “;

(III) THE FOLLOWING BENEFITS IF OFFERED AS INDEPENDENT, NONCOORDINATED BENEFITS:

1. COVERAGE ONLY FOR A SPECIFIED DISEASE OR ILLNESS;
AND

2. HOSPITAL INDEMNITY OR OTHER FIXED INDEMNITY INSURANCE; OR

(IV) THE FOLLOWING BENEFITS IF OFFERED AS A SEPARATE INSURANCE POLICY:

1. MEDICARE SUPPLEMENTAL HEALTH INSURANCE (AS DEFINED UNDER § 1882(G)(1) OF THE SOCIAL SECURITY ACT);

2. COVERAGE SUPPLEMENTAL TO THE COVERAGE PROVIDED UNDER CHAPTER 55 OF TITLE 10, UNITED STATES CODE; AND

3. SIMILAR SUPPLEMENTAL COVERAGE PROVIDED TO COVERAGE UNDER AN EMPLOYER SPONSORED PLAN”.

AMENDMENT NO. 5

On page 9 in line 8, and on page 28 in line 13, in each instance, after “(O)” insert “(1)”.

On page 9 in line 9, and on page 28 in line 14, in each instance, strike “(1)” and substitute “(I)”.

On page 9 in line 12, and on page 28 in line 17, in each instance, strike “(2)” and substitute “(II)”.

On page 9 after line 18, and on page 28 after line 23, in each instance, insert:

“(2) “INDIVIDUAL HEALTH BENEFIT PLAN” DOES NOT INCLUDE SHORT-TERM LIMITED DURATION INSURANCE.”.

AMENDMENT NO. 6

On page 9, strike beginning with the colon in line 22 down through “COVERAGE” in line 29 and substitute “A CONDITION THAT WAS PRESENT BEFORE THE DATE OF ENROLLMENT FOR COVERAGE, WHETHER OR NOT ANY MEDICAL ADVICE, DIAGNOSIS, CARE, OR TREATMENT WAS RECOMMENDED OR RECEIVED BEFORE THAT DATE”.

On page 18, strike beginning with the colon in line 11 down through “COVERAGE” in

(Over)

line 18 and substitute “A CONDITION THAT WAS PRESENT BEFORE THE DATE OF ENROLLMENT FOR COVERAGE, WHETHER OR NOT ANY MEDICAL ADVICE, DIAGNOSIS, CARE, OR TREATMENT WAS RECOMMENDED OR RECEIVED BEFORE THAT DATE”.

On page 28, strike beginning with the colon in line 27 down through “COVERAGE” in line 34 and substitute “A CONDITION THAT WAS PRESENT BEFORE THE DATE OF ENROLLMENT FOR COVERAGE, WHETHER OR NOT ANY MEDICAL ADVICE, DIAGNOSIS, CARE, OR TREATMENT WAS RECOMMENDED OR RECEIVED BEFORE THAT DATE”.

On page 37, strike beginning with the colon in line 16 down through “COVERAGE” in line 23 and substitute “A CONDITION THAT WAS PRESENT BEFORE THE DATE OF ENROLLMENT FOR COVERAGE, WHETHER OR NOT ANY MEDICAL ADVICE, DIAGNOSIS, CARE, OR TREATMENT WAS RECOMMENDED OR RECEIVED BEFORE THAT DATE”.

AMENDMENT NO. 7

On page 13 strike in their entirety lines 35 through 39, inclusive, on page 19 strike in their entirety lines 7 through 11, inclusive, on page 33 strike in their entirety lines 3 through 7, inclusive, and on page 38 strike in their entirety lines 12 through 16, inclusive, and, in each instance, substitute:

“(1) AUTOMATICALLY AT THE TIME AN INDIVIDUAL CEASES TO BE COVERED UNDER THE HEALTH BENEFITS PLAN OR OTHERWISE BECOMES COVERED UNDER A COBRA CONTINUATION PROVISION;

(2) IN THE CASE OF AN INDIVIDUAL WHO BECOMES COVERED UNDER A COBRA CONTINUATION PROVISION, AT THE TIME THE INDIVIDUAL CEASES TO BE COVERED UNDER THE PROVISION; AND

(3) ON THE REQUEST ON BEHALF OF AN INDIVIDUAL MADE NOT LATER THAN 24 MONTHS AFTER THE DATE OF CESSATION OF THE COVERAGE DESCRIBED IN ITEM (1) OR (2) OF THIS SUBSECTION, WHICHEVER IS LATER.”.

AMENDMENT NO. 8

On page 15 in line 39, and on page 35 in line 5, in each instance, strike “A GROUP HEALTH” and substitute “AN EMPLOYER-SPONSORED”.

AMENDMENT NO. 9

On page 16 in line 1, and on page 35 in line 6, in each instance, strike “INSURANCE COVERAGE” and substitute “BENEFIT PLAN”.

AMENDMENT NO. 10

On page 20 after line 36, and on page 40 after line 6, in each instance, insert:

“(D) A CARRIER SHALL ALLOW AN EMPLOYEE OR DEPENDENT WHO IS ELIGIBLE, BUT NOT ENROLLED, FOR COVERAGE UNDER THE TERMS OF A GROUP HEALTH BENEFITS PLAN TO ENROLL FOR COVERAGE UNDER THE TERMS OF THE PLAN IF:

(1) THE EMPLOYEE OR DEPENDENT WAS COVERED UNDER AN EMPLOYER-SPONSORED PLAN OR GROUP HEALTH BENEFITS PLAN AT THE TIME COVERAGE WAS PREVIOUSLY OFFERED TO THE EMPLOYEE OR DEPENDENT;

(2) THE EMPLOYEE STATES IN WRITING, AT THE TIME COVERAGE WAS PREVIOUSLY OFFERED, THAT COVERAGE UNDER AN EMPLOYER-SPONSORED PLAN OR GROUP HEALTH BENEFITS PLAN WAS THE REASON FOR DECLINING ENROLLMENT, BUT ONLY IF THE PLAN SPONSOR OR ISSUER REQUIRES THE STATEMENT AND PROVIDES THE EMPLOYEE WITH NOTICE OF THE REQUIREMENT;
AND

(3) THE EMPLOYEE’S OR DEPENDENT’S COVERAGE DESCRIBED IN ITEM (1) OF THIS SUBSECTION:

(I) WAS UNDER A COBRA CONTINUATION PROVISION, AND THE COVERAGE UNDER THAT PROVISION WAS EXHAUSTED; OR

(II) WAS NOT UNDER A COBRA CONTINUATION PROVISION, AND EITHER THE COVERAGE WAS TERMINATED AS A RESULT OF LOSS OF ELIGIBILITY FOR THE COVERAGE, INCLUDING LOSS OF ELIGIBILITY AS A RESULT OF LEGAL SEPARATION, DIVORCE, DEATH, TERMINATION OF EMPLOYMENT, OR REDUCTION IN THE NUMBER OF HOURS OF EMPLOYMENT, OR EMPLOYER CONTRIBUTIONS TOWARDS THE COVERAGE WERE TERMINATED.”.

AMENDMENT NO. 11

On page 22, in line 28, after “ANY” insert “GROUP OR BLANKET”.

AMENDMENT NO. 12

On page 41, strike in their entirety lines 28 and 29 and substitute:

“(n) The provisions of [Subtitles 59 and 60 of Article 48A of the Code] TITLE 15, SUBTITLES 13 AND 14 OF THE INSURANCE ARTICLE apply to health maintenance organizations.”.

AMENDMENT NO. 13

On page 41, after line 29, insert:

“SECTION 4. AND BE IT FURTHER ENACTED, That the Insurance Commissioner may adopt regulations to enable the Maryland Insurance Administration to establish and administer such standards relating to the provisions of this Act as may be necessary to: (i) implement the requirements of this Act; and (ii) assure that the Maryland Insurance Administration’s regulation of health insurance carriers is not preempted by P. L. 104-191 (The Health Insurance Portability and Accountability Act of 1996). The Commissioner may revise or amend the regulations and may broaden the scope of the regulations to the extent necessary to maintain federal approval of Maryland’s program for regulation of health insurance carriers pursuant to the requirements established by the United States Department of Health and Human Services.

SECTION 5. AND BE IT FURTHER ENACTED, That, in accordance with § 2-1312 of the State Government Article, the Insurance Commissioner shall report annually to the Senate Finance Committee and the House Economic Matters Committee regarding the effect of this Act on rates in the individual health insurance market, and any proposed changes to existing law. The

Commissioner's report shall be made by December 1 of each year, beginning in 1999.

SECTION 6. AND BE IT FURTHER ENACTED, That, except for the requirements relating to certification of creditable coverage, the requirements of Section 2 of this Act relating to group contracts issued under this Act shall take effect July 1, 1997.

SECTION 7. AND BE IT FURTHER ENACTED, That the requirements regarding guaranteed issue, guaranteed renewal, and preexisting conditions with respect to eligible individuals, as enacted by Sections 2 and 3 of this Act, shall be implemented no later than January 1, 1998.”;

in lines 30 and 32, strike “4.” and “5.”, respectively, and substitute “8.” and “9.”, respectively; in line 30, strike “Section 2 of” and substitute “, except for Sections 1 and 3 of this Act, and subject to the provisions of Sections 6 and 7 of this Act,”; in line 32, after “That” insert “, subject to the provisions of Section 7 of this Act,”; and in the same line, after “3” insert “of”.