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1997 Regular Session
7lr0370

By: Senator Dorman
Introduced and read first time: January 13, 1997
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 Health Insurance - Dependent Children and Grandchildren - Coverage Requirements

- FOR the purpose of altering certain provisions of law to require that certain insurers and nonprofit health service plans provide or continue coverage under certain health insurance policies and contracts, including policies and contracts issued to small employers, to certain dependent children and grandchildren under a certain age who are full-time students attending institutions of higher education.
- 8 BY renumbering
- 9 Article Insurance
- Section 15-1201(e) through (n), respectively
- 11 to be Section 15-1201(g) through (p), respectively
- 12 Annotated Code of Maryland
- 13 (1995 Volume and 1996 Supplement)
- 14 (As enacted by Chapter ____ (H.B. 11) of the Acts of the General Assembly of 1997)
- 15 BY repealing and reenacting, with amendments,
- 16 Article Insurance
- 17 Section 8-428(a)
- 18 Annotated Code of Maryland
- 19 (1995 Volume and 1996 Supplement)
- 20 (As enacted by Chapter 36 of the Acts of the General Assembly of 1995)
- 21 BY repealing and reenacting, with amendments,
- 22 Article Insurance
- 23 Section 15-402 and 15-403(b)
- 24 Annotated Code of Maryland
- 25 (1995 Volume and 1996 Supplement)
- 26 (As enacted by Chapter _____ (H.B. 11) of the Acts of the General Assembly of 1997)
- 27 BY adding to
- 28 Article Insurance
- 29 Section 15-1201(e) and (f)
- 30 Annotated Code of Maryland

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1 2	(1995 Volume and 1996 Supplement) (As enacted by Chapter (H.B. 11) of the Acts of the General Assembly of 1997)
5 6	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 15-1201(e) through (n), respectively, of Article - Insurance of the Annotated Code of Maryland (as enacted by Chapter (H.B. 11) of the Acts of the General Assembly of Maryland of 1997) be renumbered to be Section(s) 15-1201(g) through (p), respectively.
8 9	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
10	Article - Insurance
11	8-428.
12	(a) In this section, "eligible children" means:
13 14	(1) children under the minimum age for adult membership but not more than 18 years old at the time of application; OR
17	(2) FOR THE PURPOSE OF RECEIVING HEALTH INSURANCE BENEFITS ONLY, CHILDREN UNDER THE AGE OF 26 YEARS AT THE TIME OF APPLICATION WHO ARE FULL-TIME STUDENTS ATTENDING AN INSTITUTION OF HIGHER EDUCATION AND DEPENDENT ON THE MEMBER FOR FINANCIAL SUPPORT.
19	15-402.
20	(a) This section applies to:
21 22	(1) each individual or group health insurance policy that is issued in the State; and
23 24	(2) each contract that is issued in the State by a nonprofit health service plan.
27	(b) (1) Notwithstanding any limiting age stated in a policy or contract subject to this section, a child or grandchild shall continue to be covered under the policy or contract as a dependent of an employee, member, or other covered individual if the child or grandchild:
29	(i) 1. is unmarried;
30 31	[(ii)] 2. is chiefly dependent for support on the employee, member, or other covered individual; and
	[(iii)] 3. at the time of reaching the limiting age, is incapable of self-support because of mental or physical incapacity that started before the child or grandchild attained the limiting age; OR
35	(II) 1. IS UNMARRIED;
36	2. IS UNDER THE AGE OF 26 YEARS;

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1 2	3. IS A FULL-TIME STUDENT ATTENDING AN INSTITUTION OF HIGHER EDUCATION; AND
3	4. IS DEPENDENT ON THE EMPLOYEE, MEMBER, OR OTHER COVERED INDIVIDUAL FOR FINANCIAL SUPPORT.
7	(2) A child or grandchild who is covered under this section shall continue to be covered UNTIL THE COVERAGE ON THE EMPLOYEE, MEMBER, OR OTHER COVERED INDIVIDUAL ON WHOM THE CHILD OR GRANDCHILD IS DEPENDENT TERMINATES while remaining:
	(I) unmarried, dependent, and mentally or physically incapacitated [until the coverage on the employee, member, or other covered individual on whom the child or grandchild is dependent terminates]; OR
12 13	(II) UNMARRIED, DEPENDENT, UNDER THE AGE OF 26 YEARS, AND A FULL-TIME STUDENT AT AN INSTITUTION OF HIGHER EDUCATION.
	(c) To be eligible for coverage under this section, a grandchild must be a dependent, and in the court-ordered custody, of the employee, member, or other covered individual.
17	15-403.
20	(b) Each policy or contract subject to this section shall provide that the same health insurance benefits and eligibility guidelines that apply to any covered dependent are available, on request of the insured, subscriber, employee, or member, to a grandchild who:
22	(1) is unmarried;
23 24	(2) is in the court-ordered custody of the insured, subscriber, employee, or member;
25	(3) resides with the insured, subscriber, employee, or member;
26	(4) is the dependent of the insured, subscriber, employee, or member; and
27 28	(5) SUBJECT TO \S 15-402 OF THIS SUBTITLE, has not attained the limiting age under the terms of the policy or contract.
29	15-1201.
30	(E) (1) "DEPENDENT" MEANS AN ELIGIBLE EMPLOYEE'S:
31	(I) LAWFUL SPOUSE; OR
32	(II) DEPENDENT CHILD.
35	(2) EXCEPT FOR A DEPENDENT WHO IS ELIGIBLE FOR, OR A RECIPIENT OF, MEDICAL ASSISTANCE, "DEPENDENT" DOES NOT INCLUDE AN INDIVIDUAL WHO IS COVERED UNDER A PUBLIC OR PRIVATE HEALTH BENEFIT PLAN OR OTHER HEALTH BENEFIT ARRANGEMENT.

37 (F) "DEPENDENT CHILD" MEANS:

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(1) AN INDIVIDUAL WHO IS UNDER THE AGE OF 19 YEARS; OR

- 2 (2) AN INDIVIDUAL WHO IS UNDER THE AGE OF 26 YEARS AND A 3 FULL-TIME STUDENT ATTENDING AN INSTITUTION OF HIGHER EDUCATION.
- 4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 5 October 1, 1997.