
By: Senator Hollinger

Introduced and read first time: January 31, 1997

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Long-Term Care Insurance - Offer of Coverage**

3 FOR the purpose of requiring health maintenance organizations, insurers, and nonprofit
4 health service plans to offer, or contract with another carrier to offer, certain
5 long-term care insurance under certain circumstances; authorizing an employer,
6 association, or other private group arrangement to require an employee or
7 individual who accepts certain long-term care insurance to pay an additional
8 premium; requiring the State Employee and Retiree Health and Welfare Benefits
9 Program to offer certain long-term care insurance under certain circumstances;
10 authorizing the Program to require an employee or individual who accepts certain
11 long-term care insurance to pay an additional premium; and generally relating to
12 the offering of long-term care insurance.

13 BY adding to

14 Article - Health - General
15 Section 19-710.3
16 Annotated Code of Maryland
17 (1996 Replacement Volume and 1996 Supplement)

18 BY adding to

19 Article - Insurance
20 Section 15-822
21 Annotated Code of Maryland
22 (1995 Volume and 1996 Supplement)
23 (As enacted by Chapter _____ (H.B. 11) of the Acts of the General Assembly of 1997)

24 BY repealing and reenacting, with amendments,

25 Article - State Personnel and Pensions
26 Section 2-503(b)
27 Annotated Code of Maryland
28 (1994 Volume and 1996 Supplement)

29 BY adding to

30 Article - State Personnel and Pensions
31 Section 2-515

2

1 Annotated Code of Maryland
2 (1994 Volume and 1996 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
4 MARYLAND, That the Laws of Maryland read as follows:

5 **Article - Health - General**

6 19-710.3.

7 (A) IN THIS SECTION, "CARRIER" MEANS AN INSURER, NONPROFIT HEALTH
8 SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION.

9 (B) THIS SECTION APPLIES TO EACH HEALTH MAINTENANCE ORGANIZATION
10 ENROLLEE CONTRACT THAT IS ISSUED OR DELIVERED IN THE STATE.

11 (C) IF AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP
12 ARRANGEMENT OFFERS COVERAGE TO EMPLOYEES OR INDIVIDUALS UNDER A
13 CONTRACT SUBJECT TO THIS SECTION, THE HEALTH MAINTENANCE ORGANIZATION
14 THROUGH WHICH THE EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP
15 ARRANGEMENT IS CONTRACTING FOR THE COVERAGE SHALL OFFER, OR
16 CONTRACT WITH ANOTHER CARRIER TO OFFER, LONG-TERM CARE INSURANCE IN
17 ACCORDANCE WITH THE PROVISIONS OF TITLE 18 OF THE INSURANCE ARTICLE AS
18 AN ADDITIONAL BENEFIT FOR AN EMPLOYEE OR INDIVIDUAL, AT THE EMPLOYEE'S
19 OR INDIVIDUAL'S OPTION, TO ACCEPT OR REJECT.

20 (D) AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP
21 ARRANGEMENT MAY REQUIRE AN EMPLOYEE OR INDIVIDUAL THAT ACCEPTS THE
22 LONG-TERM CARE INSURANCE DESCRIBED UNDER SUBSECTION (C) OF THIS
23 SECTION TO BE RESPONSIBLE FOR THE PAYMENT OF A PREMIUM OVER THE
24 AMOUNT OF THE PREMIUM FOR THE CONTRACT DESCRIBED UNDER SUBSECTION
25 (B) OF THIS SECTION.

26 **Article - Insurance**

27 15-822.

28 (A) IN THIS SECTION, "CARRIER" MEANS AN INSURER, NONPROFIT HEALTH
29 SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION.

30 (B) THIS SECTION APPLIES TO:

31 (1) EACH INDIVIDUAL OR GROUP HOSPITAL OR MAJOR MEDICAL
32 INSURANCE POLICY OR CERTIFICATE WRITTEN ON AN EXPENSE-INCURRED BASIS
33 THAT IS ISSUED OR DELIVERED IN THE STATE BY AN INSURER; AND

34 (2) EACH INDIVIDUAL OR GROUP MEDICAL OR MAJOR MEDICAL
35 CONTRACT, POLICY, OR CERTIFICATE THAT IS ISSUED OR DELIVERED IN THE STATE
36 BY A NONPROFIT HEALTH SERVICE PLAN.

37 (C) IF AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP
38 ARRANGEMENT OFFERS COVERAGE TO EMPLOYEES OR INDIVIDUALS UNDER A
39 POLICY SUBJECT TO THIS SECTION, THE INSURER OR NONPROFIT HEALTH SERVICE

3
1 PLAN THROUGH WHICH THE EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP
2 ARRANGEMENT IS CONTRACTING FOR THE COVERAGE SHALL OFFER, OR
3 CONTRACT WITH ANOTHER CARRIER TO OFFER, LONG-TERM CARE INSURANCE IN
4 ACCORDANCE WITH THE PROVISIONS OF TITLE 18 OF THIS ARTICLE AS AN
5 ADDITIONAL BENEFIT FOR AN EMPLOYEE OR INDIVIDUAL, AT THE EMPLOYEE'S OR
6 INDIVIDUAL'S OPTION, TO ACCEPT OR REJECT.

7 (D) AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP
8 ARRANGEMENT MAY REQUIRE AN EMPLOYEE OR INDIVIDUAL THAT ACCEPTS THE
9 LONG-TERM CARE INSURANCE DESCRIBED UNDER SUBSECTION (C) OF THIS
10 SECTION TO BE RESPONSIBLE FOR THE PAYMENT OF A PREMIUM OVER THE
11 AMOUNT OF THE PREMIUM FOR THE POLICY, CONTRACT, OR CERTIFICATE
12 DESCRIBED UNDER SUBSECTION (B) OF THIS SECTION.

13 **Article - State Personnel and Pensions**

14 2-503.

15 (b) [The] SUBJECT TO THE PROVISIONS OF § 2-515 OF THIS SUBTITLE, THE
16 Secretary may arrange as the Secretary considers appropriate any benefit option for
17 inclusion in the Program.

18 2-515.

19 (A) THE PROGRAM SHALL OFFER LONG-TERM CARE INSURANCE IN
20 ACCORDANCE WITH THE PROVISIONS OF TITLE 18 OF THE INSURANCE ARTICLE AS
21 AN ADDITIONAL BENEFIT FOR AN EMPLOYEE OR INDIVIDUAL, AT THE EMPLOYEE'S
22 OR INDIVIDUAL'S OPTION, TO ACCEPT OR REJECT.

23 (B) THE PROGRAM MAY REQUIRE AN EMPLOYEE OR INDIVIDUAL THAT
24 ACCEPTS THE LONG-TERM CARE BENEFIT DESCRIBED UNDER SUBSECTION (A) OF
25 THIS SECTION TO BE RESPONSIBLE FOR THE PAYMENT OF AN ADDITIONAL
26 PREMIUM.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 1997.