

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1400 (Delegates Redmer and Ports)
Economic Matters

Referred to Finance

Health Insurance - Notice of Renewal

This enrolled bill requires a health insurer, nonprofit health service plan, and HMO (carrier) to mail a renewal notice to a group contract holder at least 30 days before the expiration of the health benefit plan. The renewal notice must include the dates of the renewal period, the health benefit plan rate, and the terms of the coverage under the health benefit plan. The bill also applies to health benefit plans sold to small employers.

Fiscal Summary

State Effect: None. The bill would not affect the State employee health benefit plan.

Local Effect: None.

Small Business Effect: Minimal. Most health insurers are large businesses with the exception of some nonprofit dental and vision plans. Small business dental and vision plans that do not currently send renewal notices would have to incur additional administrative costs to comply with bill's requirements.

Information Source(s): Department of Health and Mental Hygiene (Medical Care Policy Administration), Department of Budget and Management, Insurance Administration, Department of Fiscal Services

Fiscal Note History: First Reader - March 11, 1997
ncs Revised - Enrolled Bill - April 24, 1997

Analysis by: Lina Walker
Reviewed by: John Rixey

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 841-3710
(301) 858-3710