
By: **Delegate Donoghue**

Introduced and read first time: January 16, 1998

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Small Group Health Insurance Market - Professional Employer**
3 **Organizations - Repeal of Termination Date**

4 FOR the purpose of repealing a certain termination date for a provision of law that
5 makes the provisions of the Maryland Health Insurance Reform Act applicable
6 to certain professional employer organizations.

7 BY repealing and reenacting, without amendments,
8 Article - Insurance
9 Section 15-1201(f) and (m) and 15-1212(a)
10 Annotated Code of Maryland
11 (1997 Volume)

12 BY repealing and reenacting, with amendments,
13 Chapter 420 of the Acts of the General Assembly of 1997
14 Section 3

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

17 **Article - Insurance**

18 15-1201.

19 (f) (1) "Health benefit plan" means:

20 (i) a policy or certificate for hospital or medical benefits;

21 (ii) a nonprofit health service plan; or

22 (iii) a health maintenance organization subscriber or group master
23 contract.

1 (2) "Health benefit plan" includes a policy or certificate for hospital or
2 medical benefits that covers residents of this State who are eligible employees and
3 that is issued through:

4 (i) a multiple employer trust or association located in this State or
5 another state; or

6 (ii) a professional employer organization, coemployer, or other
7 organization located in this State or another state that engages in employee leasing.

8 (3) "Health benefit plan" does not include:

9 (i) accident-only insurance;

10 (ii) fixed indemnity insurance;

11 (iii) credit health insurance;

12 (iv) Medicare supplement policies;

13 (v) Civilian Health and Medical Program of the Uniformed Services
14 (CHAMPUS) supplement policies;

15 (vi) long-term care insurance;

16 (vii) disability income insurance;

17 (viii) coverage issued as a supplement to liability insurance;

18 (ix) workers' compensation or similar insurance;

19 (x) disease-specific insurance;

20 (xi) automobile medical payment insurance;

21 (xii) dental insurance; or

22 (xiii) vision insurance.

23 (m) "Small employer" means:

24 (1) an employer described in § 15-1203 of this subtitle; or

25 (2) an entity that leases employees from a professional employer
26 organization, coemployer, or other organization engaged in employee leasing and that
27 otherwise meets the description of § 15-1203 of this subtitle.

28 15-1212.

29 (a) (1) Except as provided in subsections (b) and (c) of this section, a carrier
30 shall renew a health benefit plan at the option of the small employer.

