

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1064 (Delegates Redmer and Ports)
Economic Matters

Health Insurance - Notice of Renewal - Time of Mailing of Notice

This bill increases, from 30 to 45, the minimum number of days before the expiration of a health benefit plan within which a carrier is required to mail a notice of renewal to a group contract holder or small employer. Under current law, the notice of renewal must include the dates of the renewal period, the health benefit plan rates, and the terms of coverage under the health benefit plan.

Fiscal Summary

State Effect: The bill's requirements could be handled with existing budgeted resources. General fund revenues could increase by a minimal amount.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

State Revenues: As a result of this bill, insurers may have to file new contracts with the Insurance Administration and pay a \$100 form filing fee (except HMOs). It is not possible to estimate the number of insurers who will file new forms due to this bill because form filings often combine several policy amendments at one time. Any increase in revenues, however, is expected to be minimal.

State Expenditures: Although workload for the Insurance Administration could increase from new form filing reviews, it is assumed that the increased workload could be absorbed within existing resources.

Information Source(s): Insurance Administration, Department of Health and Mental Hygiene (Health Care Access and Cost Commission), Department of Legislative Services

Fiscal Note History: First Reader - February 18, 1998
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Analysis by: Lina Walker	Direct Inquiries to:
Reviewed by: John Rixey	John Rixey, Coordinating Analyst
	(410) 841-3710
	(301) 858-3710