
By: **Chairman, Economic Matters Committee (Departmental - Insurance Administration, Maryland)**

Introduced and read first time: January 15, 1999
Assigned to: Economic Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 3, 1999

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance - Standard Policy Provisions**

3 FOR the purpose of ~~providing that certain provisions of law apply to contracts~~
4 ~~between nonprofit health service plans and their subscribers; requiring certain~~
5 ~~provisions to be included in certain group and blanket health insurance policies~~
6 ~~and nonprofit health service plan contracts; authorizing the use of certain other~~
7 ~~provisions in certain group and blanket health insurance policies and nonprofit~~
8 ~~health service plan contracts; and generally relating to certain policy provisions~~
9 ~~in group, individual, and blanket policies and nonprofit health service plan~~
10 ~~contracts requiring the Insurance Commissioner to adopt regulations governing~~
11 ~~standard contract provisions to be used by certain insurers, nonprofit health~~
12 ~~service plans, and health maintenance organizations by a certain date;~~
13 ~~repealing certain provisions of law relating to standard health insurance policy~~
14 ~~provisions, subject to a certain contingency; requiring the Insurance~~
15 ~~Commissioner to certify to certain committees and to the Department of~~
16 ~~Legislative Services that a certain contingency has occurred; providing for the~~
17 ~~effective date of this Act; and generally relating to standard health insurance~~
18 ~~contract provisions.~~

19 ~~BY repealing and reenacting, with amendments,~~
20 ~~Article - Insurance~~
21 ~~Section 14-102~~
22 ~~Annotated Code of Maryland~~
23 ~~(1997 Volume and 1998 Supplement)~~
24 ~~(As enacted by Chapter 774 of the Acts of the General Assembly of 1998)~~

1 ~~BY repealing and reenacting, with amendments,~~
2 ~~Article - Insurance~~
3 ~~Section 15-303~~
4 ~~Annotated Code of Maryland~~
5 ~~(1997 Volume and 1998 Supplement)~~

6 ~~BY adding to~~
7 ~~Article - Insurance~~
8 ~~Section 15-303.1, 15-303.2, 15-307.1, and 15-307.2~~
9 ~~Annotated Code of Maryland~~
10 ~~(1997 Volume and 1998 Supplement)~~

11 ~~BY repealing and reenacting, without amendments,~~
12 ~~Article - Insurance~~
13 ~~Section 15-307~~
14 ~~Annotated Code of Maryland~~
15 ~~(1997 Volume and 1998 Supplement)~~

16 BY repealing
17 Article - Insurance
18 Section 15-303 and 15-307
19 Annotated Code of Maryland
20 (1997 Volume and 1998 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article - Health - General
23 Section 19-706(i)
24 Annotated Code of Maryland
25 (1996 Volume and 1998 Supplement)

26 BY adding to
27 Article - Insurance
28 Section 12-203(g)
29 Annotated Code of Maryland
30 (1997 Replacement Volume and 1998 Supplement)

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

1 **Article—Insurance**

2 ~~14-102.~~

3 A corporation without capital stock organized for the purpose of establishing,
4 maintaining, and operating a nonprofit health service plan through which health care
5 providers provide health care services to subscribers to the plan under contracts that
6 entitle each subscriber to certain health care services shall be governed and regulated
7 by:

- 8 (1) this subtitle;
- 9 (2) Title 2, Subtitle 2 of this article and §§ 1-206, 3-127, and 12-210 of
10 this article;
- 11 (3) Title 2, Subtitle 5 of this article;
- 12 (4) §§ 4-113 and 4-114 of this article;
- 13 (5) Title 5, Subtitles 1, 2, 3, 4, and 5 of this article;
- 14 (6) Title 7 of this article, except for § 7-706 and Subtitle 2 of Title 7;
- 15 (7) Title 9, Subtitles 1, 2, and 4 of this article;
- 16 (8) Title 10, Subtitle 1 of this article;
- 17 (9) Title 27 of this article; [and]
- 18 (10) §§ 15-207 THROUGH 15-221, 15-225 THROUGH 15-228, 15-303, 15-303.1,
19 15-303.2, 15-307, 15-307.1, AND 15-307.2 OF THIS ARTICLE; AND
- 20 (11) any other provision of this article that:
- 21 (i) is expressly referred to in this subtitle;
- 22 (ii) expressly refers to this subtitle; or
- 23 (iii) expressly refers to nonprofit health service plans or persons
24 subject to this subtitle.

25 ~~15-303.~~

26 (a) Each policy of group health insurance shall contain [in substance the
27 provisions of this section] PROVISIONS THAT IN THE OPINION OF THE
28 COMMISSIONER ARE AT LEAST AS FAVORABLE TO THE POLICYHOLDER OR INSURED
29 AS THE PROVISIONS IN THIS SECTION.

30 (b) Each policy of group health insurance shall contain a provision that[,
31 absent fraud, each statement made by an applicant, policyholder, or insured is
32 considered to be a representation and not a warranty];

1 (1) ~~THE POLICY AND APPLICATION CONSTITUTE THE ENTIRE CONTRACT~~
2 ~~BETWEEN THE PARTIES;~~

3 (2) ~~ABSENT FRAUD, EACH STATEMENT MADE BY AN APPLICANT,~~
4 ~~POLICYHOLDER, OR INSURED IS CONSIDERED TO BE A REPRESENTATION AND NOT A~~
5 ~~WARRANTY; AND~~

6 (3) ~~A STATEMENT MADE BY A POLICYHOLDER MAY NOT BE USED IN~~
7 ~~DEFENSE TO A CLAIM UNDER THE POLICY UNLESS THE STATEMENT IS CONTAINED~~
8 ~~IN A WRITTEN APPLICATION.~~

9 (e) ~~[Each policy of group health insurance shall contain a provision that a~~
10 ~~statement made to effectuate insurance does not avoid the insurance or reduce~~
11 ~~benefits under the policy unless the statement is contained in a written instrument~~
12 ~~signed by the policyholder or insured and a copy of the statement is given to the~~
13 ~~policyholder, insured, or beneficiary of the insured.]~~

14 (1) ~~EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A~~
15 ~~PROVISION THAT WRITTEN NOTICE OF SICKNESS OR INJURY MUST BE GIVEN TO THE~~
16 ~~INSURER WITHIN 20 DAYS AFTER THE DATE ON WHICH THE SICKNESS OR INJURY~~
17 ~~OCCURS.~~

18 (2) ~~FAILURE TO GIVE NOTICE WITHIN 20 DAYS AFTER THE DATE ON~~
19 ~~WHICH THE SICKNESS OR INJURY OCCURS DOES NOT INVALIDATE OR REDUCE A~~
20 ~~CLAIM IF IT IS SHOWN THAT:~~

21 (I) ~~IT WAS NOT REASONABLY POSSIBLE TO GIVE NOTICE WITHIN~~
22 ~~20 DAYS; AND~~

23 (II) ~~NOTICE WAS GIVEN AS SOON AS WAS REASONABLY POSSIBLE.~~

24 (d) (1) ~~Each policy of group health insurance shall contain a provision that~~
25 ~~the insurer will provide to the policyholder for delivery to each employee or member of~~
26 ~~the insured group, a statement that summarizes the essential features of the~~
27 ~~insurance coverage of the employee or member and that indicates to whom benefits~~
28 ~~under the policy are payable.~~

29 (2) ~~If dependents are included in the coverage, only one statement need~~
30 ~~be issued for each family unit.~~

31 (e) ~~Each policy of group health insurance shall contain a provision that~~
32 ~~eligible new employees, members, or dependents may be added periodically to the~~
33 ~~group originally insured in accordance with the terms of the policy.~~

34 (F) (1) ~~EACH POLICY OF GROUP HEALTH INSURANCE SHALL REQUIRE THE~~
35 ~~INSURER TO PROVIDE TO EACH POLICYHOLDER FORMS FOR FILING PROOF OF LOSS.~~

36 (2) ~~IF THE INSURER DOES NOT PROVIDE THE FORMS WITHIN 15 DAYS~~
37 ~~AFTER NOTICE OF SICKNESS OR INJURY IS GIVEN, THE CLAIMANT IS DEEMED TO~~
38 ~~HAVE COMPLIED WITH THE REQUIREMENTS OF THE POLICY ON PROOF OF LOSS IF~~

~~1 THE CLAIMANT SUBMITS, WITHIN THE TIME FIXED IN THE POLICY FOR FILING
2 PROOF OF LOSS, WRITTEN PROOF OF THE OCCURRENCE, CHARACTER, AND EXTENT
3 OF THE LOSS FOR WHICH THE CLAIM IS MADE.~~

~~4 (G) (1) EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A
5 PROVISION THAT:~~

~~6 (I) IF A CLAIM IS FOR LOSS OF TIME BECAUSE OF DISABILITY,
7 WRITTEN PROOF OF LOSS MUST BE SUBMITTED TO THE INSURER WITHIN 30 DAYS
8 AFTER THE BEGINNING OF THE PERIOD FOR WHICH THE INSURER IS LIABLE, AND
9 SUBSEQUENT WRITTEN PROOF THAT THE DISABILITY CONTINUES MUST BE
10 SUBMITTED TO THE INSURER AT THE INTERVALS THAT THE INSURER REASONABLY
11 REQUIRES; AND~~

~~12 (II) IF A CLAIM IS FOR A LOSS OTHER THAN LOSS OF TIME BECAUSE
13 OF DISABILITY, WRITTEN PROOF OF LOSS MUST BE SUBMITTED TO THE INSURER
14 WITHIN 90 DAYS AFTER THE DATE OF THE LOSS.~~

~~15 (2) FAILURE TO SUBMIT PROOF OF LOSS WITHIN THE TIME REQUIRED
16 DOES NOT INVALIDATE OR REDUCE A CLAIM IF IT IS SHOWN THAT:~~

~~17 (I) IT WAS NOT REASONABLY POSSIBLE TO SUBMIT THE PROOF OF
18 LOSS WITHIN THE TIME REQUIRED; AND~~

~~19 (II) PROOF OF LOSS WAS SUBMITTED AS SOON AS WAS
20 REASONABLY POSSIBLE.~~

~~21 (H) EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A
22 PROVISION THAT:~~

~~23 (1) BENEFITS PAYABLE UNDER THE POLICY, OTHER THAN BENEFITS
24 FOR LOSS OF TIME, ARE PAYABLE IMMEDIATELY ON THE INSURER'S RECEIPT OF
25 WRITTEN PROOF OF LOSS; AND~~

~~26 (2) SUBJECT TO PROOF OF LOSS:~~

~~27 (I) ACCRUED BENEFITS PAYABLE UNDER THE POLICY FOR LOSS
28 OF TIME ARE PAYABLE NO LATER THAN AT THE END OF EACH PERIOD OF 30 DAYS
29 DURING THE PERIOD FOR WHICH THE INSURER IS LIABLE; AND~~

~~30 (II) ANY BALANCE REMAINING UNPAID AT THE END OF THAT
31 PERIOD IS PAYABLE IMMEDIATELY ON THE INSURER'S RECEIPT OF PROOF OF LOSS.~~

~~32 (I) EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A
33 PROVISION THAT, AT ITS OWN EXPENSE, AN INSURER MAY:~~

~~34 (1) EXAMINE THE PERSON OF THE INSURED WHEN AND AS OFTEN AS
35 THE INSURER MAY REASONABLY REQUIRE DURING THE PENDENCY OF A CLAIM
36 UNDER THE POLICY; AND~~

1 (2) ~~MAKE AN AUTOPSY OF THE INSURED IF NOT PROHIBITED BY LAW.~~

2 (J) ~~EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A~~
3 ~~PROVISION THAT AN ACTION AT LAW OR IN EQUITY MAY NOT BE BROUGHT TO~~
4 ~~RECOVER UNDER THE POLICY:~~

5 (1) ~~EARLIER THAN 60 DAYS AFTER WRITTEN PROOF OF LOSS IS~~
6 ~~SUBMITTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE POLICY; OR~~

7 (2) ~~LATER THAN 3 YEARS AFTER THE TIME WRITTEN PROOF OF LOSS IS~~
8 ~~REQUIRED TO BE SUBMITTED.~~

9 ~~45-303.1.~~

10 (A) (1) ~~EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A~~
11 ~~PROVISION THAT STATES:~~

12 ~~"GRACE PERIOD: A GRACE PERIOD OF 31 DAYS WILL BE GRANTED FOR PAYMENT~~
13 ~~OF EACH PREMIUM DUE AFTER THE FIRST PREMIUM, UNLESS THE INSURER~~
14 ~~DOES NOT INTEND TO RENEW THE POLICY BEYOND THE PERIOD FOR WHICH~~
15 ~~PREMIUM HAS BEEN ACCEPTED AND NOTICE OF THE INTENTION NOT TO~~
16 ~~RENEW IS DELIVERED TO THE POLICYHOLDER AT LEAST 45 DAYS BEFORE THE~~
17 ~~PREMIUM IS DUE. DURING THE GRACE PERIOD THE POLICY SHALL CONTINUE~~
18 ~~IN FORCE."~~

19 (2) ~~ANY ADDITIONAL PROVISIONS RELATED TO THE GRACE PERIOD~~
20 ~~SHALL BE EXPRESSLY STATED IN THE POLICY SUBJECT TO THE FOLLOWING~~
21 ~~LIMITATIONS:~~

22 (I) ~~UNLESS AN INSURER RECEIVES A NOTICE OF THE~~
23 ~~POLICYHOLDER'S INTENTION TO TERMINATE THE POLICY, THE INSURER MAY~~
24 ~~COLLECT PREMIUM FOR THE 31 DAY GRACE PERIOD;~~

25 (II) ~~IF AN INSURER RECEIVES A NOTICE OF INTENTION TO~~
26 ~~TERMINATE THE POLICY, THE INSURER MAY COLLECT PREMIUM FOR THE PERIOD~~
27 ~~BEGINNING ON THE FIRST DAY OF THE GRACE PERIOD UNTIL THE DATE ON WHICH~~
28 ~~NOTICE IS RECEIVED OR THE DATE OF TERMINATION STATED IN THE NOTICE,~~
29 ~~WHICHEVER IS LATER;~~

30 (III) ~~IF PREMIUM FOR THE 31 DAY GRACE PERIOD IS PAID AFTER~~
31 ~~THE GRACE PERIOD ENDS, AN INSURER MAY CHARGE INTEREST FOR THE PREMIUM;~~
32 ~~AND~~

33 (IV) ~~INTEREST MAY NOT BEGIN TO ACCRUE DURING THE 31 DAY~~
34 ~~GRACE PERIOD.~~

35 (B) ~~AN INSURER MAY SUBSTITUTE A CORRESPONDING PROVISION WITH~~
36 ~~WORDING DIFFERENT FROM THAT OF A PROVISION SET FORTH IN THIS SECTION IF~~
37 ~~THE CORRESPONDING PROVISION IS:~~

1 (1) APPROVED BY THE COMMISSIONER; AND

2 (2) AT LEAST AS FAVORABLE TO THE INSURED OR BENEFICIARY.

3 ~~15-303.2.~~

4 (A) (1) A POLICY OF GROUP HEALTH INSURANCE MAY CONTAIN THE
5 FOLLOWING PROVISION:

6 "ILLEGAL OCCUPATION: THE INSURER SHALL NOT BE LIABLE FOR ANY LOSS TO
7 WHICH A CONTRIBUTING CAUSE WAS THE INSURED'S COMMISSION OF OR
8 ATTEMPT TO COMMIT A FELONY OR TO WHICH A CONTRIBUTING CAUSE WAS
9 THE INSURED'S BEING ENGAGED IN AN ILLEGAL OCCUPATION."

10 (2) A POLICY OF GROUP HEALTH INSURANCE MAY CONTAIN THE
11 FOLLOWING PROVISION:

12 "INTOXICANTS AND NARCOTICS: THE INSURER SHALL NOT BE LIABLE FOR ANY
13 LOSS SUSTAINED OR CONTRACTED IN CONSEQUENCE OF THE INSURED'S BEING
14 INTOXICATED OR UNDER THE INFLUENCE OF ANY NARCOTIC UNLESS
15 ADMINISTERED ON THE ADVICE OF A PHYSICIAN."

16 (B) AN INSURER MAY SUBSTITUTE A CORRESPONDING PROVISION WITH
17 WORDING DIFFERENT FROM THAT OF A PROVISION SET FORTH IN THIS SECTION IF
18 THE CORRESPONDING PROVISION IS:

19 (1) APPROVED BY THE COMMISSIONER; AND

20 (2) AT LEAST AS FAVORABLE TO THE INSURED OR BENEFICIARY.

21 ~~15-307.~~

22 (a) Each policy of blanket health insurance shall contain provisions that in the
23 opinion of the Commissioner are at least as favorable to the policyholder and insured
24 as the provisions of this section.

25 (b) Each policy of blanket health insurance shall contain a provision that:

26 (1) the policy and application constitute the entire contract between the
27 parties;

28 (2) absent fraud, each statement made by the policyholder is considered
29 to be a representation and not a warranty; and

30 (3) a statement made by the policyholder may not be used in defense to a
31 claim under the policy unless the statement is contained in a written application.

32 (c) (1) Each policy of blanket health insurance shall contain a provision that
33 written notice of sickness or injury must be given to the insurer within 20 days after
34 the date on which the sickness or injury occurred.

1 (2) Failure to give notice within the 20 day period does not invalidate or
2 reduce a claim if it is shown that it was not reasonably possible to give notice within
3 the time required, and that notice was given as soon as was reasonably possible.

4 (d) (1) Each policy of blanket health insurance shall contain a provision that
5 the insurer shall provide to the policyholder forms for filing proof of loss.

6 (2) If the insurer does not provide the forms within 15 days after notice
7 of sickness or injury is given, the claimant is deemed to have complied with the
8 requirements of the policy on proof of loss if the claimant submits, within the time
9 fixed in the policy for filing proof of loss, written proof of the occurrence, character,
10 and extent of the loss for which the claim is made.

11 (e) (1) Each policy of blanket health insurance shall contain a provision
12 that:

13 (i) if a claim is for loss of time because of disability, written proof of
14 loss must be submitted to the insurer within 30 days after the beginning of the period
15 for which the insurer is liable, and subsequent written proofs that the disability
16 continues must be submitted to the insurer at the intervals that the insurer
17 reasonably requires; and

18 (ii) if a claim is for a loss other than loss of time because of
19 disability, written proof of loss must be submitted to the insurer within 90 days after
20 the date of the loss.

21 (2) Failure to submit proof of loss within the time required does not
22 invalidate or reduce a claim if it is shown that it was not reasonably possible to
23 submit the proof of loss within the time required, and that proof of loss was submitted
24 as soon as was reasonably possible.

25 (f) Each policy of blanket health insurance shall contain a provision that:

26 (1) benefits payable under the policy, other than benefits for loss of time,
27 are payable immediately on the insurer's receipt of written proof of loss; and

28 (2) subject to proof of loss:

29 (i) accrued benefits payable under the policy for loss of time are
30 payable no later than at the end of each period of 30 days during the period for which
31 the insurer is liable; and

32 (ii) any balance remaining unpaid at the end of that period is
33 payable immediately on the insurer's receipt of proof of loss.

34 (g) Each policy of blanket health insurance shall contain a provision that at its
35 own expense, the insurer may examine the person of the insured when and as often as
36 the insurer may reasonably require during the pendency of a claim under the policy
37 and may make an autopsy of the insured if not prohibited by law.

1 (h) Each policy of blanket health insurance shall contain a provision that an
2 action at law or in equity may not be brought to recover under the policy:

3 (1) earlier than 60 days after written proof of loss is submitted in
4 accordance with the requirements of the policy; or

5 (2) later than 3 years after the time written proof of loss is required to be
6 submitted.

7 45-307.1.

8 (A) EACH POLICY OF BLANKET HEALTH INSURANCE SHALL CONTAIN THE
9 FOLLOWING PROVISION:

10 "GRACE PERIOD: IF NOT LESS THAN 30 DAYS BEFORE THE PREMIUM DUE DATE,
11 THE INSURER HAS DELIVERED TO THE POLICYHOLDER WRITTEN NOTICE OF
12 ITS INTENTION NOT TO RENEW THE POLICY BEYOND THE PERIOD FOR WHICH
13 THE PREMIUM HAS BEEN ACCEPTED, A GRACE PERIOD OF 31 DAYS WILL BE
14 GRANTED FOR THE PAYMENT OF EACH PREMIUM FALLING DUE AFTER THE
15 FIRST PREMIUM. DURING THE GRACE PERIOD, THIS POLICY SHALL CONTINUE
16 IN FORCE. THE POLICYHOLDER WILL BE LIABLE FOR THE PREMIUM FOR THE
17 PERIOD THE POLICY REMAINS IN FORCE DURING THE GRACE PERIOD."

18 (B) ANY ADDITIONAL PROVISIONS RELATED TO A GRACE PERIOD SHALL BE
19 EXPRESSLY STATED IN THE POLICY SUBJECT TO THE FOLLOWING LIMITATIONS:

20 (1) UNLESS AN INSURER RECEIVES NOTICE OF THE POLICYHOLDER'S
21 INTENTION TO TERMINATE A POLICY, THE INSURER MAY COLLECT PREMIUM FOR
22 THE 31 DAY GRACE PERIOD;

23 (2) IF THE INSURER RECEIVES A NOTICE OF INTENTION TO TERMINATE
24 A POLICY, THE INSURER MAY COLLECT PREMIUM FROM THE FIRST DAY OF THE
25 GRACE PERIOD UNTIL THE LATER OF:

26 (I) THE DAY NOTICE IS RECEIVED; OR

27 (II) THE DATE OF TERMINATION STATED IN THE NOTICE;

28 (3) IF PREMIUM FOR THE 31 DAY GRACE PERIOD IS PAID AFTER THE
29 GRACE PERIOD ENDS, THE INSURER MAY CHARGE INTEREST ON THE PREMIUM; AND

30 (4) INTEREST MAY NOT BEGIN TO ACCRUE DURING THE 31 DAY GRACE
31 PERIOD.

32 (C) AN INSURER MAY SUBSTITUTE A CORRESPONDING PROVISION WITH
33 WORDING DIFFERENT FROM THAT OF A PROVISION SET FORTH IN THIS SECTION IF
34 THE CORRESPONDING PROVISION IS:

35 (1) APPROVED BY THE COMMISSIONER; AND

36 (2) AT LEAST AS FAVORABLE TO THE INSURED OR BENEFICIARY.

1 ~~15-307.2.~~

2 (A) A POLICY OF BLANKET HEALTH INSURANCE MAY CONTAIN THE
3 FOLLOWING PROVISION:

4 "ILLEGAL OCCUPATION: THE INSURER SHALL NOT BE LIABLE FOR ANY LOSS TO
5 WHICH A CONTRIBUTING CAUSE WAS THE INSURED'S COMMISSION OF OR
6 ATTEMPT TO COMMIT A FELONY OR TO WHICH A CONTRIBUTING CAUSE WAS
7 THE INSURED'S BEING ENGAGED IN AN ILLEGAL OCCUPATION."

8 (B) A POLICY OF BLANKET HEALTH INSURANCE MAY CONTAIN THE
9 FOLLOWING PROVISION:

10 "INTOXICANTS AND NARCOTICS: THE INSURER SHALL NOT BE LIABLE FOR ANY
11 LOSS SUSTAINED OR CONTRACTED IN CONSEQUENCE OF THE INSURED'S BEING
12 INTOXICATED OR UNDER THE INFLUENCE OF ANY NARCOTIC UNLESS
13 ADMINISTERED ON THE ADVICE OF A PHYSICIAN."

14 (C) AN INSURER MAY SUBSTITUTE A CORRESPONDING PROVISION WITH
15 WORDING DIFFERENT FROM THAT OF A PROVISION SET FORTH IN THIS SECTION IF
16 THE CORRESPONDING PROVISION IS:

17 (1) APPROVED BY THE COMMISSIONER; AND

18 (2) AT LEAST AS FAVORABLE TO THE INSURED OR BENEFICIARY.

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That Section(s) 15-303 and 15-307 of Article - Insurance of the
21 Annotated Code of Maryland be repealed.

22 SECTION 2. AND IT BE FURTHER ENACTED, That the Laws of Maryland
23 read as follows:

24 **Article - Health - General**

25 19-706.

26 (i) The provisions of §§ 12-203(G), 15-105, 15-112, 15-113, 15-804, 15-812,
27 15-826, and 15-828 of the Insurance Article shall apply to health maintenance
28 organizations.

29 **Article - Insurance**

30 12-203.

31 (G) BY REGULATION, THE COMMISSIONER SHALL ADOPT THE LANGUAGE AND
32 FORMAT FOR STANDARD PROVISIONS REQUIRED UNDER § 12-102(A) OF THIS TITLE
33 FOR CONTRACTS AND POLICIES ISSUED BY INSURERS, NONPROFIT HEALTH SERVICE
34 PLANS, AND HEALTH MAINTENANCE ORGANIZATIONS.

1 SECTION 3. AND BE IT FURTHER ENACTED, That the regulations required
2 under § 12-203(g) of the Insurance Article, as enacted by Section 2 of this Act, shall be
3 submitted to the Administrative, Executive, and Legislative Review Committee by
4 January 1, 2000.

5 SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
6 take effect on the date that regulations adopted in accordance with this Act take
7 effect. The Maryland Insurance Commissioner, in writing, shall certify to the House
8 Economic Matters Committee, the Senate Finance Committee, and the Department of
9 Legislative Services the date on which the regulations take effect.

10 ~~SECTION 2.~~ 5. AND BE IT FURTHER ENACTED, That, subject to Section 4 of
11 this Act, this Act shall take effect October 1, 1999.