

SENATE BILL 53

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2000 Regular Session  
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(PRE-FILED)

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

Requested: November 3, 1999

Introduced and read first time: January 12, 2000

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Insurance Portability and Accountability Act - Market**  
3 **Reforms**

4 FOR the purpose of establishing certain market reforms consistent with the  
5 provisions of the federal Health Insurance Portability and Accountability Act;  
6 repealing the provision allowing a certain health benefit plan that does not use  
7 a preexisting condition provision to impose a certain waiting period or surcharge  
8 on enrollees; requiring certain carriers to provide a special enrollment period;  
9 allowing certain employees and dependents to enroll for coverage during a  
10 special enrollment period under certain conditions; altering when a certain  
11 carrier may cancel or refuse to renew a certain health benefit plan; requiring  
12 certain notice to be sent when a certain carrier elects not to renew a certain  
13 health benefit plan; defining certain terms; altering certain terms; making  
14 stylistic changes; and generally relating to the Maryland Health Insurance  
15 Portability and Accountability Act.

16 BY repealing and reenacting, with amendments,  
17 Article - Insurance  
18 Section 15-1201, 15-1208, 15-1212, 15-1301(h), 15-1401(p), and 15-1406  
19 Annotated Code of Maryland  
20 (1997 Volume and 1999 Supplement)

21 BY adding to  
22 Article - Insurance  
23 Section 15-1208.1 and 15-1406.1  
24 Annotated Code of Maryland  
25 (1997 Volume and 1999 Supplement)

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

1

**Article - Insurance**

2 15-1201.

3 (a) In this subtitle the following words have the meanings indicated.

4 (b) "Board" means the Board of Directors of the Pool established under §  
5 15-1216 of this subtitle.

6 (c) "Carrier" means a person that:

7 (1) offers health benefit plans in the State covering eligible employees of  
8 small employers; and

9 (2) is:

10 (i) an authorized insurer that provides health insurance in the  
11 State;12 (ii) a nonprofit health service plan that is licensed to operate in the  
13 State;14 (iii) a health maintenance organization that is licensed to operate in  
15 the State; or16 (iv) any other person or organization that provides health benefit  
17 plans subject to State insurance regulation.18 (d) "Commission" means the Maryland Health Care Commission established  
19 under Title 19, Subtitle 1 of the Health - General Article.

20 (e) (1) "Eligible employee" means:

21 (i) an individual who:

22 1. is an employee, sole proprietor, self-employed individual,  
23 partner of a partnership, or independent contractor who is included as an employee  
24 under a health benefit plan; and25 2. works on a full-time basis and has a normal workweek of  
26 at least 30 hours; or27 (ii) a sole employee of a nonprofit organization that has been  
28 determined by the Internal Revenue Service to be exempt from taxation under §  
29 501(c)(3), (4), or (6) of the Internal Revenue Code who:

30 1. has a normal workweek of at least 20 hours; and

31 2. is not covered under a public or private plan for health  
32 insurance or other health benefit arrangement.

1 (2) "Eligible employee" does not include an individual who works:

2 (i) on a temporary or substitute basis; or

3 (ii) except for an individual described in paragraph (1)(ii) of this  
4 subsection, for less than 30 hours in a normal workweek.

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

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

7 (ii) a nonprofit health service plan; or

8 (iii) a health maintenance organization subscriber or group master  
9 contract.

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

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

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

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

18 (i) accident-only insurance;

19 (ii) fixed indemnity insurance;

20 (iii) credit health insurance;

21 (iv) Medicare supplement policies;

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

24 (vi) long-term care insurance;

25 (vii) disability income insurance;

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

27 (ix) workers' compensation or similar insurance;

28 (x) disease-specific insurance;

29 (xi) automobile medical payment insurance;

30 (xii) dental insurance; or

1 (xiii) vision insurance.

2 (G) "HEALTH STATUS-RELATED FACTOR" MEANS A FACTOR RELATED TO:

3 (1) HEALTH STATUS;

4 (2) MEDICAL CONDITION;

5 (3) CLAIMS EXPERIENCE;

6 (4) RECEIPT OF HEALTH CARE;

7 (5) MEDICAL HISTORY;

8 (6) GENETIC INFORMATION;

9 (7) EVIDENCE OF INSURABILITY INCLUDING CONDITIONS ARISING OUT  
10 OF ACTS OF DOMESTIC VIOLENCE; OR

11 (8) DISABILITY.

12 [(g)] (H) "Late enrollee" means:

13 (1) an eligible employee or dependent who requests enrollment in a  
14 health benefit plan after the initial enrollment period provided under the health  
15 benefit plan; or

16 (2) a self-employed individual described in § 15-1203(c) or (d) of this  
17 subtitle or dependent who requests enrollment in a health benefit plan after an  
18 annual open enrollment period for self-employed individuals established by the  
19 carrier in accordance with regulations adopted by the Commissioner.

20 [(h)] (I) "Pool" means the Maryland Small Employer Health Reinsurance Pool  
21 established under this subtitle.

22 [(i)] (J) "Preexisting condition" means:

23 (1) a condition existing during a specified period immediately preceding  
24 the effective date of coverage, that would have caused an ordinarily prudent person to  
25 seek medical advice, diagnosis, care, or treatment; or

26 (2) a condition for which medical advice, diagnosis, care, or treatment  
27 was recommended or received during a specified period immediately preceding the  
28 effective date of coverage.

29 [(j)] (K) "Preexisting condition provision" means a provision in a health  
30 benefit plan that denies, excludes, or limits benefits for an enrollee for expenses or  
31 services related to a preexisting condition.

32 [(k)] (L) "Reinsuring carrier" means a carrier that participates in the Pool.

1     [(l)]     (M)     "Risk-assuming carrier" means a carrier that does not participate in  
2 the Pool.

3     [(m)]     (N)     "Small employer" means:

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

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

8     (O)     "SPECIAL ENROLLMENT PERIOD" MEANS A PERIOD DURING WHICH A  
9 GROUP HEALTH PLAN SHALL PERMIT CERTAIN INDIVIDUALS WHO ARE ELIGIBLE  
10 FOR COVERAGE, BUT NOT ENROLLED, TO ENROLL FOR COVERAGE UNDER THE  
11 TERMS OF THE GROUP HEALTH BENEFIT PLAN.

12    [(n)]     (P)     "Standard Plan" means the Comprehensive Standard Health Benefit  
13 Plan adopted by the Commission in accordance with § 15-1207 of this subtitle and  
14 Title 19, Subtitle 1 of the Health - General Article.

15 15-1208.

16    (a)     (1)     A carrier may not limit coverage under a health benefit plan for a  
17 preexisting condition.

18             (2)     An exclusion of coverage for preexisting conditions may not be  
19 applied to health care services furnished for pregnancy or newborns.

20    (b)     (1)     This subsection does not apply to a late enrollee if:

21                     (i)     the individual requests enrollment within 30 days after  
22 becoming an eligible employee;

23                     (ii)    a court has ordered coverage to be provided for a spouse or  
24 minor child under a covered employee's health benefit plan; or

25                     (iii)   a request for enrollment is made within 30 days after the  
26 eligible employee's marriage or the birth or adoption of a child.

27             (2)     Notwithstanding subsection (a) of this section, a late enrollee may be  
28 subject to a 12-month preexisting condition provision or a waiting period until the  
29 next open enrollment period not to exceed a 12-month period.

30    (c)     [A health benefit plan that does not use a preexisting condition provision  
31 may impose on enrollees:

32             (1)     a waiting period not to exceed 90 days; or

33             (2)     for 1 year, a surcharge not to exceed 1.5 times the community rate  
34 established in accordance with § 15-1205 of this subtitle.

1 (d)] For a period not to exceed 6 months after the date an individual becomes  
2 an eligible employee, a health benefit plan may require deductibles and cost-sharing  
3 for benefits for a preexisting condition of the eligible employee in amounts not  
4 exceeding 1.5 times the amount of the standard deductibles and cost-sharing of other  
5 eligible employees if:

6 (1) the employee was not previously covered by a public or private plan  
7 of health insurance or another health benefit arrangement; and

8 (2) the employee was not previously employed by that employer.

9 15-1208.1.

10 (A) A CARRIER SHALL PROVIDE THE SPECIAL ENROLLMENT PERIODS  
11 DESCRIBED IN THIS SECTION IN EACH SMALL EMPLOYER HEALTH BENEFIT PLAN.

12 (B) IF THE SMALL EMPLOYER ELECTS TO OFFER COVERAGE TO ALL OF ITS  
13 EMPLOYEES WHO ARE COVERED UNDER ANOTHER PUBLIC OR PRIVATE PLAN OF  
14 HEALTH INSURANCE OR ANOTHER HEALTH BENEFIT ARRANGEMENT, A CARRIER  
15 SHALL ALLOW AN EMPLOYEE OR DEPENDENT WHO IS ELIGIBLE, BUT NOT  
16 ENROLLED, FOR COVERAGE UNDER THE TERMS OF THE EMPLOYER'S HEALTH  
17 BENEFIT PLAN TO ENROLL FOR COVERAGE UNDER THE TERMS OF THE PLAN IF:

18 (1) THE EMPLOYEE OR DEPENDENT WAS COVERED UNDER AN  
19 EMPLOYER-SPONSORED PLAN OR GROUP HEALTH BENEFIT PLAN AT THE TIME  
20 COVERAGE WAS PREVIOUSLY OFFERED TO THE EMPLOYEE OR DEPENDENT;

21 (2) THE EMPLOYEE STATES IN WRITING, AT THE TIME COVERAGE WAS  
22 PREVIOUSLY OFFERED, THAT COVERAGE UNDER AN EMPLOYER-SPONSORED PLAN  
23 OR GROUP HEALTH BENEFIT PLAN WAS THE REASON FOR DECLINING ENROLLMENT,  
24 BUT ONLY IF THE PLAN SPONSOR OR CARRIER REQUIRES THE STATEMENT AND  
25 PROVIDES THE EMPLOYEE WITH NOTICE OF THE REQUIREMENT;

26 (3) THE EMPLOYEE'S OR DEPENDENT'S COVERAGE DESCRIBED IN ITEM  
27 (1) OF THIS SUBSECTION:

28 (I) WAS UNDER A COBRA CONTINUATION PROVISION, AND THE  
29 COVERAGE UNDER THAT PROVISION WAS EXHAUSTED; OR

30 (II) WAS NOT UNDER A COBRA CONTINUATION PROVISION, AND  
31 EITHER THE COVERAGE WAS TERMINATED AS A RESULT OF LOSS OF ELIGIBILITY  
32 FOR THE COVERAGE, INCLUDING LOSS OF ELIGIBILITY AS A RESULT OF LEGAL  
33 SEPARATION, DIVORCE, DEATH, TERMINATION OF EMPLOYMENT, OR REDUCTION IN  
34 THE NUMBER OF HOURS OF EMPLOYMENT, OR EMPLOYER CONTRIBUTIONS  
35 TOWARDS THE COVERAGE WERE TERMINATED; AND

36 (4) UNDER THE TERMS OF THE PLAN, THE EMPLOYEE REQUESTS  
37 ENROLLMENT NOT LATER THAN 30 DAYS AFTER:

1 (I) THE DATE OF EXHAUSTION OF COVERAGE DESCRIBED IN ITEM  
2 (3)(I) OF THIS SUBSECTION; OR

3 (II) TERMINATION OF COVERAGE OR TERMINATION OF EMPLOYER  
4 CONTRIBUTIONS DESCRIBED IN ITEM (3)(II) OF THIS SUBSECTION.

5 (C) ALL SMALL EMPLOYER HEALTH BENEFIT PLANS SHALL PROVIDE A  
6 SPECIAL ENROLLMENT PERIOD DURING WHICH THE FOLLOWING PERSONS MAY BE  
7 ENROLLED UNDER THE HEALTH BENEFIT PLAN:

8 (1) A PERSON WHO BECOMES A DEPENDENT OF THE ELIGIBLE  
9 EMPLOYEE THROUGH MARRIAGE, BIRTH, ADOPTION, OR PLACEMENT FOR ADOPTION;

10 (2) AN ELIGIBLE EMPLOYEE WHO ACQUIRES A NEW DEPENDENT  
11 THROUGH MARRIAGE, BIRTH, ADOPTION, OR PLACEMENT FOR ADOPTION; AND

12 (3) THE SPOUSE OF AN ELIGIBLE EMPLOYEE AT THE BIRTH OR  
13 ADOPTION OF A CHILD, PROVIDED THE SPOUSE IS OTHERWISE ELIGIBLE FOR  
14 COVERAGE.

15 (D) THE SPECIAL ENROLLMENT PERIOD UNDER THIS SECTION SHALL BE A  
16 PERIOD OF NOT LESS THAN 31 DAYS AND SHALL BEGIN ON THE LATER OF:

17 (1) THE DATE DEPENDENT COVERAGE IS MADE AVAILABLE; OR

18 (2) THE DATE OF THE MARRIAGE, BIRTH, ADOPTION, OR PLACEMENT  
19 FOR ADOPTION, WHICHEVER IS APPLICABLE.

20 (E) IF AN ELIGIBLE EMPLOYEE ENROLLS ANY OF THE PERSONS DESCRIBED IN  
21 SUBSECTION (C) OF THIS SECTION DURING THE FIRST 31 DAYS OF THE SPECIAL  
22 ENROLLMENT PERIOD, THE COVERAGE SHALL BECOME EFFECTIVE AS FOLLOWS:

23 (1) IN THE CASE OF MARRIAGE, NOT LATER THAN THE FIRST DAY OF  
24 THE FIRST MONTH BEGINNING AFTER THE DATE THE COMPLETED REQUEST FOR  
25 ENROLLMENT IS RECEIVED;

26 (2) IN THE CASE OF A DEPENDENT'S BIRTH, AS OF THE DATE OF THE  
27 DEPENDENT'S BIRTH; AND

28 (3) IN THE CASE OF A DEPENDENT'S ADOPTION OR PLACEMENT FOR  
29 ADOPTION, THE DATE OF ADOPTION OR PLACEMENT FOR ADOPTION, WHICHEVER  
30 OCCURS FIRST.

31 15-1212.

32 (a) (1) Except as provided in subsections (b) [and], (c), AND (D) of this  
33 section, a carrier shall renew a health benefit plan at the option of the small  
34 employer.

35 (2) On renewal, a carrier may not exclude eligible employees or  
36 dependents from a health benefit plan.

1 (3) (i) A carrier shall mail a notice of renewal to the small employer at  
2 least 45 days before the expiration of a health benefit plan.

3 (ii) The notice of renewal shall include the dates of the renewal  
4 period, the health benefit plan rates, and the terms of coverage under the health  
5 benefit plan.

6 (4) Policies or certificates for hospital or medical benefits issued through  
7 a professional employer organization, coemployer, or other organization under this  
8 subtitle may, with the consent of the carrier, have a common renewal date.

9 (b) A carrier may cancel or refuse to renew a health benefit plan only:

10 (1) for nonpayment of premiums;

11 (2) for fraud or INTENTIONAL misrepresentation of MATERIAL FACT BY  
12 the small employer [or covered individuals or their representatives];

13 (3) for noncompliance with [reasonable provisions of the health benefit  
14 plan as approved by the Commissioner] A MATERIAL PLAN PROVISION RELATING TO  
15 EMPLOYER CONTRIBUTIONS OR GROUP PARTICIPATION RULES;

16 (4) [for repeated misuse, as defined by the Commissioner, of a provider  
17 network provision;

18 (5)] when the carrier elects not to renew:

19 (i) all of its health benefit plans that are issued to small employers  
20 in the State; or

21 (ii) the particular health benefit plan for all small employers in the  
22 State; OR

23 (5) IN THE CASE OF A HEALTH MAINTENANCE ORGANIZATION, WHERE  
24 THERE IS NO LONGER ANY ENROLLEE WHO LIVES, RESIDES, OR WORKS IN THE  
25 HEALTH MAINTENANCE ORGANIZATION'S APPROVED SERVICE AREA.

26 [(6) if the Commissioner finds that continuation of coverage would:

27 (i) not be in the best interests of policyholders or certificate  
28 holders; or

29 (ii) impair the carrier's ability to meet its contractual obligations;  
30 or

31 (7) for reasons stated in § 19-725(b) of the Health - General Article, if  
32 the carrier is a health maintenance organization.]

33 (c) When a carrier elects not to renew all health benefit plans in the State, the  
34 carrier:



1 (1) shall give notice of its decision to the affected small employers and  
2 the insurance regulatory authority of each state in which an eligible employee or  
3 dependent resides at least 180 days before the effective date of nonrenewal;

4 (2) shall give notice to the Commissioner at least 30 working days before  
5 giving the notice specified in item (1) of this subsection; and

6 (3) may not write new business for small employers in the State for a  
7 period of 5 years beginning on the date of notice to the Commissioner.

8 (D) WHEN A CARRIER ELECTS NOT TO RENEW A PARTICULAR HEALTH  
9 BENEFIT PLAN FOR ALL SMALL EMPLOYERS IN THE STATE, THE CARRIER SHALL:

10 (1) PROVIDE NOTICE OF THE NONRENEWAL AT LEAST 90 DAYS BEFORE  
11 THE DATE OF THE NONRENEWAL TO:

12 (I) EACH AFFECTED:

13 1. SMALL EMPLOYER; AND

14 2. ENROLLED EMPLOYEE; AND

15 (II) THE COMMISSIONER;

16 (2) OFFER TO EACH AFFECTED SMALL EMPLOYER THE OPTION TO  
17 PURCHASE ALL OTHER HEALTH BENEFIT PLANS CURRENTLY OFFERED BY THE  
18 CARRIER IN THE SMALL GROUP MARKET; AND

19 (3) ACT UNIFORMLY WITHOUT REGARD TO THE CLAIMS EXPERIENCE OF  
20 ANY AFFECTED SMALL EMPLOYER, OR ANY HEALTH STATUS-RELATED FACTOR OF  
21 ANY AFFECTED INDIVIDUAL.

22 [(d)] (E) Within 7 days after cancellation or nonrenewal of a health benefit  
23 plan, the carrier shall send to each enrolled employee written notice of its action and  
24 the conversion rights available to each enrolled employee under § 15-412 of this  
25 article.

26 15-1301.

27 (h) "Eligible individual" means an individual:

28 (1) (i) for whom, as of the date on which the individual seeks coverage  
29 under this subtitle, the aggregate of the periods of creditable coverage is 18 or more  
30 months; and

31 (ii) whose most recent prior creditable coverage was under an  
32 employer sponsored plan, governmental plan, church plan, or health benefit plan  
33 offered in connection with any of these plans;

34 (2) who is not eligible for coverage under:

- 1 (i) an employer sponsored plan;
- 2 (ii) Part A or Part B of Title XVIII of the Social Security Act; OR
- 3 (iii) a State plan under Title XIX of the Social Security Act; [or
- 4 (iv) a health benefit plan;]

5 (3) WHO DOES NOT HAVE COVERAGE UNDER A HEALTH BENEFIT PLAN;

6 [(3)] (4) who has not had the most recent prior creditable coverage  
7 described in paragraph (1)(ii) of this subsection terminated for nonpayment of  
8 premiums or fraud by the individual; and

9 [(4)] (5) who, if the individual has been offered the option of  
10 continuation coverage under a State or federal continuation provision:

- 11 (i) has elected that coverage; and
- 12 (ii) has exhausted that coverage.

13 15-1401.

14 (p) "Special enrollment period" means a period during which a group health  
15 plan shall permit [an employee] CERTAIN INDIVIDUALS who [is] ARE eligible for  
16 coverage, but not enrolled, to enroll for coverage under the terms of the group health  
17 benefit plan.

18 15-1406.

19 (a) A carrier may not establish rules for eligibility of an individual to enroll  
20 under a group health [benefits] BENEFIT plan based on any health status-related  
21 factor.

22 (b) Subsection (a) of this section does not:

23 (1) require a carrier to provide particular benefits other than those  
24 provided under the terms of the particular health benefit plan; or

25 (2) prevent a carrier from establishing limitations or restrictions on the  
26 amount, level, extent, or nature of the benefits or coverage for similarly situated  
27 individuals enrolled in the health benefit plan.

28 (c) Rules for eligibility to enroll under a plan includes rules defining any  
29 applicable waiting periods for enrollment.

30 (d) A carrier shall allow an employee or dependent who is eligible, but not  
31 enrolled, for coverage under the terms of a group health [benefits] BENEFIT plan to  
32 enroll for coverage under the terms of the plan if:

1 (1) the employee or dependent was covered under an  
2 employer-sponsored plan or group health [benefits] BENEFIT plan at the time  
3 coverage was previously offered to the employee or dependent;

4 (2) the employee states in writing, at the time coverage was previously  
5 offered, that coverage under an employer-sponsored plan or group health [benefits]  
6 BENEFIT plan was the reason for declining enrollment, but only if the plan sponsor or  
7 issuer requires the statement and provides the employee with notice of the  
8 requirement; and

9 (3) the employee's or dependent's coverage described in item (1) of this  
10 subsection:

11 (i) was under a COBRA continuation provision, and the coverage  
12 under that provision was exhausted; or

13 (ii) was not under a COBRA continuation provision, and either the  
14 coverage was terminated as a result of loss of eligibility for the coverage, including  
15 loss of eligibility as a result of legal separation, divorce, death, termination of  
16 employment, or reduction in the number of hours of employment, or employer  
17 contributions towards the coverage were terminated[.]; AND

18 (4) UNDER THE TERMS OF THE PLAN, THE EMPLOYEE REQUESTS  
19 ENROLLMENT NOT LATER THAN 30 DAYS AFTER:

20 (I) THE DATE OF EXHAUSTION OF COVERAGE DESCRIBED IN ITEM  
21 (3)(I) OF THIS SUBSECTION; OR

22 (II) TERMINATION OF COVERAGE OR TERMINATION OF EMPLOYER  
23 CONTRIBUTIONS DESCRIBED IN ITEM (3)(II) OF THIS SUBSECTION.

24 15-1406.1.

25 (A) IN THIS SECTION, "INDIVIDUAL" MEANS:

26 (1) A PARTICIPANT UNDER THE GROUP HEALTH BENEFIT PLAN; OR

27 (2) A PERSON WHO:

28 (I) HAS MET ANY WAITING PERIOD APPLICABLE TO BECOMING A  
29 PARTICIPANT UNDER THE GROUP HEALTH BENEFIT PLAN;

30 (II) IS ELIGIBLE TO BE ENROLLED UNDER THE PLAN; AND

31 (III) IS NOT A PARTICIPANT IN THE GROUP HEALTH BENEFIT PLAN  
32 BECAUSE OF FAILURE TO ENROLL DURING A PREVIOUS ENROLLMENT PERIOD.

33 (B) THIS SECTION APPLIES IF A GROUP HEALTH BENEFIT PLAN MAKES  
34 COVERAGE AVAILABLE TO DEPENDENTS OF AN INDIVIDUAL.

1 (C) A GROUP HEALTH BENEFIT PLAN SUBJECT TO THIS SECTION SHALL  
2 PROVIDE A SPECIAL ENROLLMENT PERIOD DURING WHICH THE FOLLOWING  
3 PERSONS MAY BE ENROLLED UNDER THE GROUP HEALTH BENEFIT PLAN:

4 (1) A PERSON WHO BECOMES A DEPENDENT OF THE INDIVIDUAL  
5 THROUGH MARRIAGE, BIRTH, ADOPTION, OR PLACEMENT FOR ADOPTION;

6 (2) AN INDIVIDUAL WHO ACQUIRES A NEW DEPENDENT THROUGH  
7 MARRIAGE, BIRTH, ADOPTION, OR PLACEMENT FOR ADOPTION; AND

8 (3) THE SPOUSE OF AN INDIVIDUAL AT THE BIRTH OR ADOPTION OF A  
9 CHILD, PROVIDED THE SPOUSE IS OTHERWISE ELIGIBLE FOR COVERAGE.

10 (D) THE SPECIAL ENROLLMENT PERIOD UNDER THIS SECTION SHALL BE A  
11 PERIOD OF NOT LESS THAN 31 DAYS AND SHALL BEGIN ON THE LATER OF:

12 (1) THE DATE DEPENDENT COVERAGE IS MADE AVAILABLE; OR

13 (2) THE DATE OF THE MARRIAGE, BIRTH, ADOPTION, OR PLACEMENT  
14 FOR ADOPTION, WHICHEVER IS APPLICABLE.

15 (E) IF AN INDIVIDUAL ENROLLS ANY OF THE PERSONS DESCRIBED IN  
16 SUBSECTION (C) OF THIS SECTION DURING THE FIRST 31 DAYS OF THE SPECIAL  
17 ENROLLMENT PERIOD, THE COVERAGE SHALL BECOME EFFECTIVE AS FOLLOWS:

18 (1) IN THE CASE OF MARRIAGE, NOT LATER THAN THE FIRST DAY OF  
19 THE FIRST MONTH BEGINNING AFTER THE DATE THE COMPLETED REQUEST FOR  
20 ENROLLMENT IS RECEIVED;

21 (2) IN THE CASE OF A DEPENDENT'S BIRTH, AS OF THE DATE OF THE  
22 DEPENDENT'S BIRTH; AND

23 (3) IN THE CASE OF A DEPENDENT'S ADOPTION OR PLACEMENT FOR  
24 ADOPTION, THE DATE OF ADOPTION OR PLACEMENT FOR ADOPTION, WHICHEVER  
25 OCCURS FIRST.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
27 July 1, 2000.