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By: **Delegate Baldwin**  
Introduced and read first time: February 8, 2002  
Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Coverage Offered to Small Employers - Open Enrollment**

3 FOR the purpose of requiring a carrier that offers coverage to a small employer to  
4 establish a certain open enrollment period for certain small employers;  
5 prohibiting a carrier from denying coverage to a certain small employer under  
6 certain circumstances; and generally relating to offering health insurance  
7 coverage to small employers.

8 BY repealing and reenacting, with amendments,  
9 Article - Insurance  
10 Section 15-1210(a)  
11 Annotated Code of Maryland  
12 (1997 Volume and 2001 Supplement)

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

15 **Article - Insurance**

16 15-1210.

17 (a) (1) A carrier that offers coverage to a small employer shall:

18 (i) offer coverage to all of its eligible employees and all of their  
19 eligible dependents;

20 (ii) at the election of the small employer, offer coverage to all of its  
21 part-time employees who have a normal workweek of at least 17 1/2 but less than 30  
22 hours per week and have been continuously employed for at least 4 consecutive  
23 months;

24 (iii) at the election of the small employer, offer coverage to all of its  
25 employees who are covered under another public or private plan of health insurance  
26 or another health benefit arrangement; and

1 (iv) establish an annual open enrollment period FOR AT LEAST 30  
2 CONSECUTIVE DAYS IN EACH 6-MONTH PERIOD for:

3 1. self-employed individuals; AND

4 2. SMALL EMPLOYERS WHO HAVE FEWER THAN 10 ELIGIBLE  
5 EMPLOYEES [for at least 30 consecutive days in each 6-month period].

6 (2) NOTWITHSTANDING PARAGRAPH (1)(IV)2 OF THIS SUBSECTION, A  
7 CARRIER MAY NOT DENY COVERAGE TO A SMALL EMPLOYER WHO HAS FEWER THAN  
8 10 ELIGIBLE EMPLOYEES IF:

9 (I) THE SMALL EMPLOYER IS TRANSFERRING FROM ONE CARRIER  
10 TO ANOTHER WITHOUT A BREAK IN COVERAGE; AND

11 (II) THE COVERAGE HAS BEEN IN EFFECT FOR AT LEAST 12  
12 MONTHS PRIOR TO THE DATE OF TRANSFER.

13 [(2)] (3) Notwithstanding any other provision of this section and §§  
14 15-1209, 15-1211, and 15-1213 of this subtitle, a carrier may deny coverage to a  
15 self-employed individual who applies for a health benefit plan at a time other than  
16 the carrier's annual open enrollment period.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
18 effect October 1, 2002.