
By: **Senators Teitelbaum, Astle, Conway, DeGrange, Dorman, Exum,
Hooper, Kelley, and Roesser**

Introduced and read first time: January 31, 2002

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Counties and Municipal Corporations - Group Health Benefit Plans -**
3 **Coverage for Residents**

4 FOR the purpose of authorizing a county or municipal corporation that offers
5 coverage for its employees under a group health benefit plan to offer coverage to
6 residents who are not employees of the county or municipal corporation;
7 requiring an individual to be a resident of the county or municipal corporation
8 for a certain period of time to participate in the group health benefit plan;
9 requiring a resident who chooses to participate in the group health benefit plan
10 to pay the full cost of the premium; authorizing the county or municipal
11 corporation to charge a certain administrative fee; and generally relating to
12 coverage for residents of counties and municipal corporations under group
13 health benefit plans.

14 BY adding to
15 Article 24 - Political Subdivisions - Miscellaneous Provisions
16 Section 18-101 to be under the new title "Title 18. Group Health Benefit Plans"
17 Annotated Code of Maryland
18 (2001 Replacement Volume)

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

21 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

22 **TITLE 18. GROUP HEALTH BENEFIT PLANS.**

23 18-101.

24 (A) THIS SECTION APPLIES TO A COUNTY OR MUNICIPAL CORPORATION THAT
25 OFFERS COVERAGE FOR HEALTH BENEFITS TO THE EMPLOYEES OF THE COUNTY OR
26 MUNICIPAL CORPORATION UNDER A GROUP HEALTH BENEFIT PLAN.

1 (B) A COUNTY OR MUNICIPAL CORPORATION SUBJECT TO THIS SECTION MAY
2 ALLOW RESIDENTS OF THE COUNTY OR MUNICIPAL CORPORATION WHO ARE NOT
3 EMPLOYEES OF THE COUNTY OR MUNICIPAL CORPORATION TO PARTICIPATE IN THE
4 GROUP HEALTH BENEFIT PLAN SUBJECT TO THE CONDITIONS OF THIS SECTION.

5 (C) A RESIDENT OF THE COUNTY OR MUNICIPAL CORPORATION SUBJECT TO
6 THIS SECTION WHO IS NOT AN EMPLOYEE OF THE COUNTY OR MUNICIPAL
7 CORPORATION MAY PARTICIPATE IN THE GROUP HEALTH BENEFIT PLAN OF THE
8 COUNTY OR MUNICIPAL CORPORATION ONLY IF THE INDIVIDUAL HAS BEEN A
9 RESIDENT OF THE COUNTY OR MUNICIPAL CORPORATION FOR AT LEAST 1 YEAR.

10 (D) IF A RESIDENT OF THE COUNTY OR MUNICIPAL CORPORATION CHOOSES
11 TO PARTICIPATE IN THE GROUP HEALTH BENEFIT PLAN, THE RESIDENT SHALL PAY
12 THE FULL COST OF THE PREMIUM WITH NO SUBSIDY FROM THE COUNTY OR
13 MUNICIPAL CORPORATION.

14 (E) THE COUNTY OR MUNICIPAL CORPORATION MAY CHARGE AN
15 ADMINISTRATIVE FEE OF UP TO \$25 PER YEAR TO ADMINISTER THE ACCOUNT OF A
16 RESIDENT OF THE COUNTY OR MUNICIPAL CORPORATION WHO PARTICIPATES IN
17 THE GROUP HEALTH BENEFIT PLAN.

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