
By: **Delegates Costa and Dwyer**

Introduced and read first time: January 16, 2004

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Coverage for Parents of Insured or Spouse of Insured**

3 FOR the purpose of requiring certain health insurance policies or contracts that
4 provide coverage for family members to provide coverage for parents under
5 certain circumstances; establishing conditions that the parent must meet to be
6 eligible for family members' coverage under the policy or contract; authorizing
7 an insurer or nonprofit health service plan to require proof of the relationship;
8 providing for the termination of this Act; and generally relating to coverage for
9 family members under policies or contracts of health insurance.

10 BY adding to

11 Article - Insurance

12 Section 15-403.2

13 Annotated Code of Maryland

14 (2002 Replacement Volume and 2003 Supplement)

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

17 **Article - Insurance**

18 15-403.2.

19 (A) THIS SECTION APPLIES TO:

20 (1) EACH INDIVIDUAL HEALTH INSURANCE POLICY THAT:

21 (I) PROVIDES COVERAGE ON AN EXPENSE-INCURRED BASIS; AND

22 (II) PROVIDES COVERAGE FOR A FAMILY MEMBER OF THE

23 INSURED;

24 (2) EACH GROUP HEALTH INSURANCE POLICY THAT:

1 (I) PROVIDES COVERAGE ON AN EXPENSE-INCURRED BASIS FOR
2 EMPLOYEES OF AN EMPLOYER OR EMPLOYERS OR MEMBERS OF A UNION OR
3 UNIONS; AND

4 (II) PROVIDES COVERAGE FOR A FAMILY MEMBER OF A COVERED
5 EMPLOYEE OR MEMBER; AND

6 (3) EACH INDIVIDUAL SERVICE OR INDEMNITY CONTRACT THAT:

7 (I) IS ISSUED BY A NONPROFIT HEALTH SERVICE PLAN; AND

8 (II) PROVIDES COVERAGE FOR A FAMILY MEMBER OF THE
9 SUBSCRIBER.

10 (B) EACH POLICY OR CONTRACT SUBJECT TO THIS SECTION SHALL PROVIDE
11 THAT THE SAME HEALTH INSURANCE BENEFITS AND ELIGIBILITY GUIDELINES THAT
12 APPLY TO ANY COVERED FAMILY MEMBER UNDER THE POLICY OR CONTRACT ARE
13 AVAILABLE, ON REQUEST OF THE INSURED, SUBSCRIBER, EMPLOYEE, OR MEMBER,
14 TO:

15 (1) A PARENT OF THE INSURED, SUBSCRIBER, EMPLOYEE, OR MEMBER;
16 OR

17 (2) A PARENT OF THE SPOUSE OF THE INSURED, SUBSCRIBER,
18 EMPLOYEE, OR MEMBER.

19 (C) TO BE ELIGIBLE FOR COVERAGE UNDER SUBSECTION (B) OF THIS
20 SECTION, THE PARENT SHALL:

21 (1) BE AT LEAST 50 YEARS OLD AND UNDER THE AGE OF 64 YEARS; AND

22 (2) BE A RESIDENT OF THE STATE.

23 (D) (1) AN INSURER OR NONPROFIT HEALTH SERVICE PLAN MAY REQUIRE
24 PROOF THAT THE PARENT TO BE COVERED UNDER THE POLICY OR CONTRACT IS THE
25 PARENT OF:

26 (I) THE INSURED, SUBSCRIBER, EMPLOYEE, OR MEMBER; OR

27 (II) THE SPOUSE OF THE INSURED, SUBSCRIBER, EMPLOYEE, OR
28 MEMBER.

29 (2) IF THE INSURER OR NONPROFIT HEALTH SERVICE PLAN REQUIRES
30 PROOF UNDER THIS SUBSECTION, THE INSURER OR NONPROFIT HEALTH SERVICE
31 PLAN SHALL PAY THE COST OF THE PROOF.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 2004. It shall remain effective for a period of 3 years and, at the end of
34 September 30, 2007, with no further action required by the General Assembly, this
35 Act shall be abrogated and of no further force and effect.