
By: ~~Delegate Hammen~~ Delegates Hammen, Benson, Boteler, Boutin,
Bromwell, Costa, Donoghue, Elliott, Goldwater, Hubbard, Hurson,
Kach, Mandel, McDonough, Morhaim, Murray, Nathan-Pulliam, Oaks,
Pendergrass, Rosenberg, Rudolph, Smigiel, V. Turner, and Weldon

Introduced and read first time: January 19, 2004
Assigned to: Health and Government Operations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: February 3, 2004

CHAPTER _____

1 AN ACT concerning

2 **Nonprofit Health Service Plans and Health Maintenance Organizations -**
3 **Underwriting Standards**

4 FOR the purpose of requiring a nonprofit health service plan and a health
5 maintenance organization to file with the Insurance Commissioner a copy of
6 certain underwriting standards; authorizing a nonprofit health service plan and
7 a health maintenance organization to request a finding by the Commissioner
8 that the underwriting standards filed with the Commissioner be considered
9 confidential commercial information under certain provisions of law; and
10 generally relating to underwriting standards for nonprofit health service plans
11 and health maintenance organizations.

12 BY adding to
13 Article - Health - General
14 Section 19-706(zz)
15 Annotated Code of Maryland
16 (2000 Replacement Volume and 2003 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article - Insurance
19 Section 27-501(h)
20 Annotated Code of Maryland
21 (2002 Replacement Volume and 2003 Supplement)

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

3 **Article - Health - General**

4 19-706.

5 (ZZ) THE PROVISIONS OF § 27-501(H) OF THE INSURANCE ARTICLE APPLY TO
6 HEALTH MAINTENANCE ORGANIZATIONS.

7 **Article - Insurance**

8 27-501.

9 (h) (1) This subsection applies to insurance underwriting standards for all
10 health, life, disability, property, and casualty coverages provided in the State.

11 (2) At the request of the Commissioner, each insurer, NONPROFIT
12 HEALTH SERVICE PLAN, AND HEALTH MAINTENANCE ORGANIZATION shall file with
13 the Commissioner a copy of its underwriting standards, including any amendments or
14 supplements.

15 (3) The Commissioner may review and examine the underwriting
16 standards to ensure compliance with this article.

17 (4) Each insurer, NONPROFIT HEALTH SERVICE PLAN, AND HEALTH
18 MAINTENANCE ORGANIZATION may request a finding by the Commissioner that its
19 underwriting standards filed with the Commissioner be considered confidential
20 commercial information under § 10-617(d) of the State Government Article.

21 (5) The Commissioner shall adopt regulations to carry out this
22 subsection.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2004.