

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 1014

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “providing” in line 4 down through “State;” in line 8; in line 9, after “the” insert “Maryland Health Insurance”; strike beginning with “requiring” in line 16 down through “Act;” in line 18 and substitute “authorizing certain self-employed individuals or sole proprietors to remain enrolled in small group market health insurance under certain circumstances; requiring the Maryland Insurance Administration and the Maryland Health Insurance Plan to make a certain report to certain committees of the General Assembly on or before a certain date; providing for the termination of certain provisions of the Act;”; in line 23, after “(a)” insert “, (h),”; in the same line, strike the second “and”; in the same line, after “15-1201(a)” insert “, and 15-1212(b)”; and in line 28, strike “14-501(h),”.

On page 2, strike in their entirety lines 2 through 6, inclusive.

AMENDMENT NO. 2

On page 2, in line 24, strike the brackets; and strike beginning with “IS” in line 25 down through “(VII)” in line 27.

On pages 3 and 4, strike in their entirety the lines beginning with line 15 on page 3 through line 6 on page 4, inclusive.

On page 7, after line 2, insert:

“15-1212.

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

(1) for nonpayment of premiums;

(Over)

(2) for fraud or intentional misrepresentation of material fact by the small employer;

(3) for noncompliance with a material plan provision relating to employer contributions or group participation rules;

(4) when the carrier elects not to renew:

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

(ii) the particular health benefit plan for all small employers in the State;  
or

(5) in the case of a health maintenance organization, where there is no longer any enrollee who lives, resides, or works in the health maintenance organization's approved service area.”;

strike beginning with “after” in line 5 down through “2005” in line 8 and substitute “may at the option of the enrollee remain covered under the policy issued under the health benefit plan, subject to the termination provisions under § 15-1212(b) of the Insurance Article, provided the enrollee continues to:

(1) work and reside in the State; and

(2) is a self-employed individual organized as a sole proprietorship or in any other legally recognized manner that a self-employed individual may organize:

(i) a substantial part of whose income derives from a trade or business through which the individual has attempted to earn taxable income;

(ii) who has filed the appropriate Internal Revenue form or forms and schedule for the previous taxable year; and

(iii) for whom a copy of the appropriate Internal Revenue form or forms and schedule has been filed with the carrier”;

strike beginning with “this” in line 9 down through “2005.” in line 12 substitute “, on or before September 1, 2008, the Maryland Insurance Administration and the Maryland Health Insurance Plan shall submit a report, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Health and Government Operations Committee on:

(a) the effect of excluding self-employed individuals and sole proprietors from the small group market on the availability and affordability of health insurance in the small group market; and

(b) the number of self-employed individuals and sole proprietors enrolled in the Maryland Health Insurance Plan.”;

and in line 14, after “2005.” insert “Sections 1 and 2 of this Act shall remain effective for a period of 3 years and, at the end of September 30, 2008, with no further action required by the General Assembly, Sections 1 and 2 of this Act shall be abrogated and of no further force and effect.”.