

SENATE BILL 952

C3

71r2677

By: **Senator Middleton**

Introduced and read first time: February 28, 2007

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Small Group Market – Choice of Policies for Sole**
3 **Proprietors**

4 FOR the purpose of providing that certain individuals enrolled on a certain date in
5 certain health benefit plans may remain covered under any policy offered by
6 certain health benefit plans under certain circumstances; requiring certain
7 health insurance carriers to establish annual open enrollment periods for
8 certain individuals; defining a certain term; and generally relating to health
9 insurance policies for sole proprietors.

10 BY repealing and reenacting, with amendments,
11 Chapter 347 of the Acts of the General Assembly of 2005
12 Section 2

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

15 **Chapter 347 of the Acts of 2005**

16 SECTION 2. AND BE IT FURTHER ENACTED, That:

17 (A) [each] **EACH** individual enrolled on September 30, 2005 in a health benefit
18 plan **OFFERED BY A CARRIER** under Title 15, Subtitle 12 of the Insurance Article
19 may at the option of the enrollee remain covered under the policy issued under the
20 health benefit plan **OR ANY POLICY ISSUED UNDER THE HEALTH BENEFIT PLAN**
21 **OFFERED BY THE CARRIER AND SELECTED BY THE ENROLLEE DURING THE**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **OPEN ENROLLMENT PERIOD DESCRIBED IN SUBSECTION (B) OF THIS SECTION,**
2 subject to the termination provisions under § 15-1212(b) of the Insurance Article,
3 provided the enrollee continues to:

4 (1) work and reside in the State; and

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

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

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

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

13 **(B) (1) IN THIS SECTION, “OPEN ENROLLMENT PERIOD” MEANS A**
14 **PERIOD OF AT LEAST 30 CONSECUTIVE DAYS THAT OCCURS IN EACH 12-MONTH**
15 **PERIOD DURING WHICH AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF**
16 **SUBSECTION (A) OF THIS SECTION MAY CHOOSE ANY POLICY ISSUED UNDER THE**
17 **HEALTH BENEFIT PLAN OFFERED BY THE CARRIER WITH WHICH THE**
18 **INDIVIDUAL WAS ENROLLED ON SEPTEMBER 30, 2005.**

19 **(2) A CARRIER THAT ENROLLS INDIVIDUALS WHO MEET THE**
20 **REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION SHALL ESTABLISH AN**
21 **OPEN ENROLLMENT PERIOD FOR INDIVIDUALS WHO MEET THE REQUIREMENTS**
22 **OF SUBSECTION (A) OF THIS SECTION.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 July 1, 2007.