

CHAPTER 59

(Senate Bill 952)

AN ACT concerning

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

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

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

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

Chapter 347 of the Acts of 2005

SECTION 2. AND BE IT FURTHER ENACTED, That:

~~(A) Each~~ **EACH** individual enrolled on September 30, 2005 in a health benefit plan **OFFERED BY A CARRIER** under Title 15, Subtitle 12 of the Insurance Article may at the option of the enrollee remain covered under ~~the policy issued under the health benefit plan~~ **OR ANY POLICY ISSUED UNDER THE HEALTH BENEFIT PLAN OFFERED BY THE CARRIER TO SMALL EMPLOYERS AND SELECTED BY THE ENROLLEE DURING THE OPEN ENROLLMENT PERIOD DESCRIBED IN SUBSECTION (B) OF THIS SECTION AT RENEWAL**, 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.

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

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

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

Approved by the Governor, April 10, 2007.