

HOUSE BILL 462

C3

8lr2277

By: **Delegate Pendergrass**

Introduced and read first time: January 30, 2008

Assigned to: Health and Government Operations

Committee Report: Favorable

House action: Adopted

Read second time: February 27, 2008

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Small Group Market – Self-Employed Individuals –**
3 **Sunset Extension**

4 FOR the purpose of extending the termination date of a certain provision until a
5 certain date; and generally relating to health insurance policies for
6 self-employed individuals in the small group market.

7 BY repealing and reenacting, without amendments,
8 Chapter 347 of the Acts of the General Assembly of 2005, as amended by
9 Chapter 59 of the Acts of the General Assembly of 2007
10 Section 2

11 BY repealing and reenacting, without amendments,
12 Chapter 347 of the Acts of the General Assembly of 2005
13 Section 3

14 BY repealing and reenacting, with amendments,
15 Chapter 347 of the Acts of the General Assembly of 2005
16 Section 4

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

19 **Chapter 347 of the Acts of 2005, as amended by Chapter 59 of the Acts of 2007**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 2. AND BE IT FURTHER ENACTED, That each individual enrolled
2 on September 30, 2005 in a health benefit plan offered by a carrier under Title 15,
3 Subtitle 12 of the Insurance Article may at the option of the enrollee remain covered
4 under any policy issued by the carrier to small employers and selected by the enrollee
5 at renewal, subject to the termination provisions under § 15–1212(b) of the Insurance
6 Article, provided the enrollee continues to:

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

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

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

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

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

16 Chapter 347 of the Acts of 2005

17 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before September
18 1, 2008, the Maryland Insurance Administration and the Maryland Health Insurance
19 Plan shall submit a report, in accordance with § 2–1246 of the State Government
20 Article, to the Senate Finance Committee and the House Health and Government
21 Operations Committee on:

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

25 (b) the number of self–employed individuals and sole proprietors enrolled in
26 the Maryland Health Insurance Plan.

27 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2005. Sections 1 and 2 of this Act shall remain effective for a period of [3] 6
29 years and, at the end of September 30, [2008] 2011, with no further action required
30 by the General Assembly, Sections 1 and 2 of this Act shall be abrogated and of no
31 further force and effect.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 July 1, 2008.