

CHAPTER 76

(House Bill 462)

AN ACT concerning

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

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

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

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

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

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, as amended by Chapter 59 of the Acts of 2007

SECTION 2. AND BE IT FURTHER ENACTED, That 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 any policy issued by the carrier to small employers and selected by the enrollee 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.

Chapter 347 of the Acts of 2005

SECTION 3. AND BE IT FURTHER ENACTED, That, 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.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2005. Sections 1 and 2 of this Act shall remain effective for a period of [3] **6** years and, at the end of September 30, [2008] **2011**, 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.

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

Approved by the Governor, April 8, 2008.