

SB0084/506587/1

BY: Health and Government Operations Committee

AMENDMENTS TO SENATE BILL 84
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike line 2 in its entirety and substitute “Health Insurance – Medicare Coverage and Continuation Coverage – Provisions that Relate to Federal Laws and Programs”; in line 3, after “of” insert “requiring a carrier that issues health benefit plans to small employers in accordance with certain provisions of law to allow an individual an extended election period for certain continuation coverage under certain circumstances; requiring the extended election period to continue for a certain period of time under certain circumstances; providing for the beginning and end of the continuation coverage; altering the minimum benefits a Medicare supplement policy must provide;”; in line 11, after “period;” insert “applying certain provisions of this Act to health maintenance organizations; defining certain terms;”; in line 12, strike “plan A”; in the same line, after “policies” insert “and continuation coverage”; after line 12, insert:

“BY adding to

Article – Health – General
Section 19-706(ttt)
Annotated Code of Maryland
(2005 Replacement Volume and 2008 Supplement)

BY adding to

Article – Insurance
Section 15-409.1
Annotated Code of Maryland
(2006 Replacement Volume and 2008 Supplement)”;

and in line 15, after “Section” insert “15-906(a) and”.

(Over)

AMENDMENT NO. 2

On page 1, after line 19, insert:

“Article – Health – General

19-706.

(TTT) THE PROVISIONS OF § 15-409.1 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.”;

and after line 20, insert:

“15-409.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “ACT” MEANS THE FEDERAL AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (P.L. 111-5).

(3) “CARRIER” MEANS:

(I) AN INSURER;

(II) A NONPROFIT HEALTH SERVICE PLAN; OR

(III) A HEALTH MAINTENANCE ORGANIZATION.

(4) “SMALL EMPLOYER” HAS THE MEANING STATED IN § 15-1201 OF THIS TITLE.

(B) THIS SECTION APPLIES TO A CARRIER THAT ISSUES HEALTH BENEFIT PLANS TO SMALL EMPLOYERS IN ACCORDANCE WITH SUBTITLE 12 OF THIS TITLE.

(C) A CARRIER SHALL ALLOW AN EXTENDED ELECTION PERIOD FOR CONTINUATION COVERAGE UNDER § 15-409 OF THIS SUBTITLE IF THE INDIVIDUAL:

(1) WAS INVOLUNTARILY TERMINATED FROM EMPLOYMENT BY A SMALL EMPLOYER BETWEEN SEPTEMBER 1, 2008, AND FEBRUARY 16, 2009, INCLUSIVE, AS DESCRIBED IN § 3001(A)(3)(C) OF THE ACT;

(2) IS AN ASSISTANCE ELIGIBLE INDIVIDUAL, AS DEFINED IN § 3001(A)(3) OF THE ACT, OR WOULD BE AN ASSISTANCE ELIGIBLE INDIVIDUAL IF AN ELECTION OF CONTINUATION COVERAGE UNDER § 15-409 OF THIS SUBTITLE WAS IN EFFECT ON THE DATE OF ENACTMENT OF THE ACT; AND

(3) WAS ELIGIBLE FOR CONTINUATION COVERAGE UNDER § 15-409 OF THIS SUBTITLE AT THE TIME OF THE INDIVIDUAL'S TERMINATION OF EMPLOYMENT.

(D) THE EXTENDED ELECTION PERIOD PROVIDED UNDER THIS SECTION SHALL CONTINUE UNTIL 60 DAYS AFTER PROVISION OF THE NOTIFICATION REQUIRED BY § 3001(A)(7)(C) OF THE ACT IF THE NOTIFICATION DESCRIBES THE EXTENDED ELECTION PERIOD REQUIRED UNDER THIS SECTION.

(E) ANY CONTINUATION COVERAGE ELECTED BY AN INDIVIDUAL DURING AN EXTENDED ELECTION PERIOD UNDER THIS SECTION:

(Over)

(1) SHALL BEGIN DURING THE FIRST PERIOD OF COVERAGE BEGINNING ON OR AFTER THE INDIVIDUAL'S ELECTION OF CONTINUATION COVERAGE; AND

(2) MAY NOT EXTEND BEYOND THE PERIOD OF CONTINUATION COVERAGE THAT WOULD HAVE BEEN REQUIRED UNDER § 15-409 OF THIS SUBTITLE IF THE COVERAGE HAD BEEN ELECTED AS REQUIRED UNDER THAT SECTION.

15-906.

(a) [At a minimum, a] A Medicare supplement policy shall provide THE MINIMUM BENEFITS REQUIRED BY FEDERAL LAW. [:

(1) to the extent not covered by Medicare, coverage of Medicare Part A eligible expenses for hospitalization from the 61st day through the 90th day of a Medicare benefit period;

(2) to the extent not covered by Medicare, coverage of Medicare Part A eligible expenses incurred as daily hospital charges during use of Medicare's lifetime hospital inpatient reserve days;

(3) after all Medicare hospital inpatient coverage is exhausted, including lifetime reserve days, subject to the lifetime maximum benefit of an additional 365 days, coverage of all Medicare Part A eligible expenses for hospitalization not covered by Medicare paid at the rate of the diagnostic related group (DRG) day outlier per diem or, if applicable, the per diem approved by the Health Services Cost Review Commission;

(4) coverage for the coinsurance amount of Medicare eligible expenses under Medicare Part B regardless of hospital confinement;

(5) unless replaced in accordance with federal regulations or already paid for under Medicare Part B, coverage under Medicare Part A for the reasonable cost in a calendar year of the first 3 pints of blood or, as defined by federal regulations, equivalent quantities of packed red blood cells; and

(6) unless replaced in accordance with federal regulations or already paid for under Medicare Part A and subject to the Medicare Part B deductible amount, coverage under Medicare Part B for the reasonable cost in a calendar year of the first 3 pints of blood or, as defined by federal regulations, equivalent quantities of packed red blood cells.]”.