HOUSE BILL 32

C3

9lr0789

(PRE–FILED)

By: **Delegate Kullen**
Requested: October 16, 2008
Introduced and read first time: January 14, 2009
Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Limitations on Preexisting Condition Provisions –**
3 **Applicability**

4 FOR the purpose of expanding the applicability of certain provisions of law that limit
5   the imposition of certain preexisting condition provisions by certain carriers to a
6   policy or certificate issued to an individual in accordance with certain provisions
7   of law; altering a certain definition; providing for the application of this Act; and
8   generally relating to preexisting condition limitations.

9 BY repealing and reenacting, with amendments,
10   Article – Insurance
11   Section 15–508
12   Annotated Code of Maryland
13   (2006 Replacement Volume and 2008 Supplement)

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

16   **Article – Insurance**

17 15–508.

18   (a)   (1)   In this section the following words have the meanings indicated.

19   (2)   "Carrier" has the meaning stated in § 15–1301 of this title.

20   (3)   "Enrollment date" has the meaning stated in § 15–1301 of this
21 title.

1   (4)   "Policy or certificate" means any **[**group**] INDIVIDUAL, GROUP,** or
2 blanket health insurance contract or policy that is issued or delivered in the State by
3 an insurer or nonprofit health service plan that provides hospital, medical, or surgical
4 benefits on an expense–incurred basis.

5   (5)   "Preexisting condition provision" has the meaning stated in §
6 15–1301 of this title.

7   (6)   "Late enrollee" has the meaning stated in § 15–1401 of this title.

8   (b)   This section does not apply to a policy or certificate issued to a small
9 employer in accordance with Subtitle 12 of this title**[**, or to an individual in accordance
10 with Subtitle 13 of this title**]**.

11   (c)   Except as otherwise provided in subsection (d) of this section, a carrier
12 may impose a preexisting condition provision only if it:

13   (1)   relates to a condition, regardless of the cause of the condition, for
14 which medical advice, diagnosis, care, or treatment was recommended or received
15 within the 6–month period ending on the enrollment date;

16   (2)   extends for a period of not more than 12 months after the
17 enrollment date or 18 months in the case of a late enrollee; and

18   (3)   is reduced by the aggregate of the periods of creditable coverage, as
19 defined in Subtitle 14 of this title.

20   (d)   (1)   Subject to paragraph (4) of this subsection, a carrier may not
21 impose any preexisting condition provision on an individual who, as of the last day of
22 the 30–day period beginning with the date of birth, is covered under creditable
23 coverage.

24   (2)   Subject to paragraph (4) of this subsection, a carrier may not
25 impose any preexisting condition provisions on a child who:

26   (i)   is adopted or placed for adoption before attaining 18 years of
27 age; and

28   (ii)   as of the last day of the 30–day period beginning on the date
29 of adoption or placement for adoption, is covered under creditable coverage.

30   (3)   A carrier may not impose any preexisting condition provisions
31 relating to pregnancy.

32   (4)   Paragraphs (1) and (2) of this subsection do not apply to an
33 individual after the end of the first 63–day period during all of which the individual
34 was not covered under any creditable coverage.

1   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
2 policies and contracts issued, delivered, or renewed in the State on or after October 1,
3 2009.

4   SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2009.