

HOUSE BILL 1280

C3

9lr2394

By: **Delegate Mizeur**

Introduced and read first time: February 13, 2009

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Gender Equity Health Coverage Act**

3 FOR the purpose of providing a certain exception to a provision of law allowing the
4 consideration by insurers of actuarial justification with respect to sex under
5 certain circumstances; prohibiting insurers, nonprofit health service plans, and
6 health maintenance organizations from considering sex in determining whether
7 to underwrite a particular risk or class of risks with respect to health insurance
8 offered to individuals; requiring the Maryland Insurance Commissioner to
9 review certain underwriting standards to ensure certain compliance; requiring
10 the Commissioner to adopt regulations to carry out this Act; providing for the
11 application of this Act; and generally relating to underwriting standards for
12 health insurance.

13 BY adding to

14 Article – Health – General
15 Section 19–706(ttt)
16 Annotated Code of Maryland
17 (2005 Replacement Volume and 2008 Supplement)

18 BY repealing and reenacting, without amendments,

19 Article – Insurance
20 Section 27–501(a)
21 Annotated Code of Maryland
22 (2006 Replacement Volume and 2008 Supplement)

23 BY repealing and reenacting, with amendments,

24 Article – Insurance
25 Section 27–501(b)
26 Annotated Code of Maryland
27 (2006 Replacement Volume and 2008 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – Insurance
3 Section 27–501(h–1)
4 Annotated Code of Maryland
5 (2006 Replacement Volume and 2008 Supplement)

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

8 **Article – Health – General**

9 19–706.

10 **(TTT) THE PROVISIONS OF § 27–501(H–1) OF THE INSURANCE ARTICLE**
11 **APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.**

12 **Article – Insurance**

13 27–501.

14 (a) (1) An insurer or insurance producer may not cancel or refuse to
15 underwrite or renew a particular insurance risk or class of risk for a reason based
16 wholly or partly on race, color, creed, sex, or blindness of an applicant or policyholder
17 or for any arbitrary, capricious, or unfairly discriminatory reason.

18 (2) Except as provided in this section, an insurer or insurance
19 producer may not cancel or refuse to underwrite or renew a particular insurance risk
20 or class of risk except by the application of standards that are reasonably related to
21 the insurer’s economic and business purposes.

22 (b) (1) An insurer may not require special conditions, facts, or situations
23 as a condition to its acceptance or renewal of a particular insurance risk or class of
24 risks in an arbitrary, capricious, unfair, or discriminatory manner based wholly or
25 partly on race, creed, color, sex, religion, national origin, place of residency, blindness,
26 or other physical handicap or disability.

27 (2) [Actuarial] **EXCEPT AS PROVIDED IN SUBSECTION (H–1) OF**
28 **THIS SECTION, ACTUARIAL** justification may be considered with respect to sex.

29 **(H–1) (1) WITH RESPECT TO HEALTH INSURANCE OFFERED TO**
30 **INDIVIDUALS IN THE STATE, AN INSURER, NONPROFIT HEALTH SERVICE PLAN,**
31 **OR HEALTH MAINTENANCE ORGANIZATION MAY NOT CONSIDER SEX IN**
32 **DETERMINING WHETHER TO UNDERWRITE A PARTICULAR INSURANCE RISK OR**
33 **CLASS OF RISKS.**

34 **(2) THE COMMISSIONER SHALL REVIEW THE UNDERWRITING**
35 **STANDARDS OF EACH INSURER, NONPROFIT HEALTH SERVICE PLAN, AND**

1 HEALTH MAINTENANCE ORGANIZATION OFFERING HEALTH INSURANCE TO
2 INDIVIDUALS IN THE STATE TO ENSURE COMPLIANCE WITH PARAGRAPH (1) OF
3 THIS SUBSECTION.

4 (3) THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY
5 OUT THIS SUBSECTION.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
7 policies, contracts, and health benefit plans offered to individuals that are issued,
8 delivered, or renewed in the State on or after October 1, 2009.

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