

# HOUSE BILL 1015

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By: ~~Delegate Rudolph~~ Delegates Rudolph, Benson, Bromwell, Costa, Donoghue, Elliott, Hammen, Hubbard, Jenkins, Kach, Kipke, Krebs, Kullen, McDonough, Montgomery, Morhaim, Nathan-Pulliam, Oaks, Pena-Melnyk, Pendergrass, Reznik, Riley, Tarrant, and V. Turner

Introduced and read first time: February 15, 2010

Assigned to: Health and Government Operations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 17, 2010

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance – Purchasing Out of State – Feasibility Study**

3 FOR the purpose of requiring the Maryland Insurance Administration to study the  
4 feasibility and desirability of allowing State residents to purchase health  
5 insurance out of state and of establishing an Interstate Health Insurance  
6 Compact for a certain purpose; requiring the study to examine certain items  
7 and issues; requiring the Administration, on or before a certain date, to report  
8 its findings and recommendations to the Governor and certain legislative  
9 committees; and generally relating to a study by the Maryland Insurance  
10 Administration of the purchase of health insurance out of state by residents of  
11 the State.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That:

14 (a) The Maryland Insurance Administration shall study the feasibility and  
15 desirability of:

16 (1) allowing State residents to purchase health insurance out of state;  
17 and

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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           (2)    establishing an Interstate Health Insurance Compact that would  
2 allow residents of member states to purchase health insurance across state lines.

3           (b)    The study shall examine:

4                (1)    the potential for out-of-state health insurance purchasing to  
5 promote consumer choice and increase competition among health insurance plans;

6                (2)    the need to limit out-of-state health insurance purchases only to  
7 states in which the state insurance regulator is accredited by the National Association  
8 of Insurance Commissioners;

9                (3)    the consumer protections that the State might want to retain in  
10 areas such as market conduct, unfair trade practices, network adequacy, appeals and  
11 grievances, fair claims payments, prompt payment of claims, rate review, and fraud;

12               (4)    the disclosures that would be needed to properly educate  
13 consumers about purchasing health insurance out of state;

14               (5)    how out-of-state health insurance purchases could be made  
15 subject to Maryland fees and taxes;

16               (6)    the interest and capability of other states to establish an Interstate  
17 Health Insurance Compact;

18               (7)    how an Interstate Health Insurance Compact would function and  
19 be governed; and

20               (8)    any other item or issue the Administration considers important.

21           (c)    On or before January 1, 2011, the Administration shall report the  
22 findings of its study, together with any recommendations, to the Governor and, in  
23 accordance with § 2-1246 of the State Government Article, the Senate Finance  
24 Committee and the House Health and Government Operations Committee.

25           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 July 1, 2010.