

SENATE BILL 510

P3, C3

2lr0504

By: **Senator Frosh**

Introduced and read first time: February 3, 2012

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Insurance Plan – Denials of Eligibility for Coverage –**
3 **Hearings and Appeal Process**

4 FOR the purpose of requiring the Board of Directors for the Maryland Health
5 Insurance Plan to give an individual an opportunity for a certain hearing before
6 the Board denies the eligibility of the individual for coverage under the Plan;
7 requiring the Board to give notice and hold the hearing in accordance with
8 certain provisions of law; authorizing the individual to be represented by
9 counsel at the hearing; authorizing the Board to issue certain subpoenas under
10 certain circumstances; authorizing any person aggrieved by a certain decision of
11 the Board to take an appeal as allowed by certain provisions of law; and
12 generally relating to an appeal process for denials of eligibility for coverage
13 under the Maryland Health Insurance Plan.

14 BY repealing and reenacting, without amendments,
15 Article – Insurance
16 Section 14–501(a), (c), and (j)
17 Annotated Code of Maryland
18 (2011 Replacement Volume)

19 BY adding to
20 Article – Insurance
21 Section 14–509.1
22 Annotated Code of Maryland
23 (2011 Replacement Volume)

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

26 **Article – Insurance**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 14-501.

2 (a) In this subtitle the following words have the meanings indicated.

3 (c) "Board" means the Board of Directors for the Maryland Health Insurance
4 Plan.

5 (j) "Plan" means the Maryland Health Insurance Plan.

6 **14-509.1.**

7 **(A) BEFORE THE BOARD DENIES THE ELIGIBILITY OF AN INDIVIDUAL**
8 **FOR COVERAGE UNDER THE PLAN, IT SHALL GIVE THE INDIVIDUAL AN**
9 **OPPORTUNITY FOR A HEARING BEFORE THE BOARD.**

10 **(B) THE BOARD SHALL GIVE NOTICE AND HOLD THE HEARING IN**
11 **ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT**
12 **ARTICLE.**

13 **(C) THE HEARING NOTICE TO BE GIVEN TO THE INDIVIDUAL SHALL BE**
14 **SERVED AT LEAST 5 DAYS BEFORE THE HEARING.**

15 **(D) THE INDIVIDUAL MAY BE REPRESENTED AT THE HEARING BY**
16 **COUNSEL.**

17 **(E) (1) THE BOARD MAY ISSUE A SUBPOENA FOR THE ATTENDANCE**
18 **OF A WITNESS TO TESTIFY OR THE PRODUCTION OF EVIDENCE IN CONNECTION**
19 **WITH ANY PROCEEDING UNDER THIS SECTION.**

20 **(2) A SUBPOENA ISSUED UNDER THIS SUBSECTION SHALL BE**
21 **SERVED BY:**

22 **(I) CERTIFIED MAIL; OR**

23 **(II) THE SHERIFF OF THE COUNTY WHERE THE INDIVIDUAL**
24 **TO BE SERVED RESIDES.**

25 **(F) ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE BOARD IN A**
26 **CONTESTED CASE, AS DEFINED IN § 10-202 OF THE STATE GOVERNMENT**
27 **ARTICLE, MAY TAKE AN APPEAL AS ALLOWED IN §§ 10-222 AND 10-223 OF THE**
28 **STATE GOVERNMENT ARTICLE.**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2012.