

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 769

(Senator Raskin, *et al.*)

Finance

Health and Government Operations

Health Benefit Plans - Proposed Rate Increases - Notice to Insureds

This bill requires an insurer, nonprofit health service plan, health maintenance organization, dental plan organization, or any other person that provides health benefit plans subject to regulation by the State (collectively known as carriers) to annually provide notice to its insureds and enrollees and post a notice on its website that an insured or enrollee may access information about proposed rate increases and submit comments on the proposed rate increases on the Maryland Insurance Administration's website.

Fiscal Summary

State Effect: None. The bill does not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Chapters 513 and 514 of 2012 (SB 456/HB 465) prohibited carriers that issue or deliver a health benefit plan in the State, including an association plan, from charging a premium rate or changing the premium rate charged without approval from the Commissioner, established the factors the Commissioner must consider when reviewing a rate filing, and specified that each proposed rate and any supporting information filed must be open to public inspection.

Background: Changes to health benefit plan rates in the small group and individual markets are reviewed by MIA before they are put into place. Health insurance companies must submit consumer-oriented documents to MIA about any rate changes in the small group and individual markets so that the public can make comments on the proposed rates. When a health insurance company submits a request that is open to public comment, consumers can read the company's justification for the request and submit comments during a 30-day public review period. Rate change requests submitted to MIA pertain to a base amount that a company would like to charge. These changes may not apply to a specific policy, the rates for which can be based on many other factors, including age, area, and health conditions. Rate filings subject to review can be found at <http://www.mdinsurance.state.md.us/sa/consumer/health-insurance-rate-review.html>.

Links are provided for consumers to submit comments via email directly to MIA about a specific proposed rate filing. Public comments can also be mailed or faxed.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management, Maryland Health Insurance Plan, Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History: First Reader - March 11, 2013
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