

SENATE BILL 1199

C4

EMERGENCY BILL

7lr3818

By: **Senators Kelley and Middleton**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 25, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Long-Term Care Insurance – Sale or Transfer of Book of Business**

3 FOR the purpose of requiring certain carriers that issue, deliver, or offer policies, contracts,
4 or certificates of long-term care insurance in the State and sell or otherwise transfer
5 their books of business to another carrier to, at least a certain number of days before
6 the sale or transfer, provide certain written notice to each insured and provide a
7 certain database to the Maryland Insurance Commissioner; making this Act an
8 emergency measure; and generally relating to long-term care insurance.

9 BY adding to

10 Article – Insurance

11 Section 18-118.1

12 Annotated Code of Maryland

13 (2011 Replacement Volume and 2016 Supplement)

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

16 **Article – Insurance**

17 **18-118.1.**

18 **IF A CARRIER THAT ISSUES, DELIVERS, OR OFFERS A POLICY, CONTRACT, OR**
19 **CERTIFICATE OF LONG-TERM CARE INSURANCE IN THE STATE SELLS OR**
20 **OTHERWISE TRANSFERS ITS BOOK OF BUSINESS TO ANOTHER CARRIER, THE**
21 **CARRIER, AT LEAST 14 DAYS BEFORE THE SALE OR TRANSFER, SHALL PROVIDE:**

22 **(1) TO EACH INSURED WRITTEN NOTICE THAT:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(I) ADVISES THE INSURED THAT THE CARRIER'S BOOK OF**
2 **BUSINESS IS BEING SOLD OR OTHERWISE TRANSFERRED TO ANOTHER CARRIER;**
3 **AND**

4 **(II) INCLUDES THE CONTACT INFORMATION OF THE CARRIER**
5 **TO WHICH THE BOOK OF BUSINESS IS BEING SOLD OR OTHERWISE TRANSFERRED;**
6 **AND**

7 **(2) TO THE COMMISSIONER A DATABASE THAT INCLUDES THE NAME,**
8 **ADDRESS, AND POLICY NUMBER OF EACH INSURED WHOSE POLICY, CONTRACT, OR**
9 **CERTIFICATE IS BEING SOLD OR OTHERWISE TRANSFERRED TO ANOTHER CARRIER.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
11 measure, is necessary for the immediate preservation of the public health or safety, has
12 been passed by a yea and nay vote supported by three-fifths of all the members elected to
13 each of the two Houses of the General Assembly, and shall take effect from the date it is
14 enacted.