

~~3. Western Maryland; and~~

~~4. Eastern and Southern Maryland; AND~~

~~(III) HEALTH STATUS.~~

~~(3) Rates for a health benefit plan may vary based on family composition as approved by the Commissioner.~~

~~(4) BASED ON THE ADJUSTMENT FOR HEALTH STATUS ALLOWED UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION, A CARRIER MAY CHARGE A RATE THAT IS 10% ABOVE OR 25% BELOW THE COMMUNITY RATE.~~

~~(5) A CARRIER MAY ADJUST THE COMMUNITY RATE FOR HEALTH STATUS ONLY FOR HEALTH BENEFIT PLANS ISSUED TO SMALL EMPLOYERS WITH 15 OR FEWER ELIGIBLE EMPLOYEES AT THE TIME OF INITIAL ISSUANCE OF A HEALTH BENEFIT PLAN.~~

~~(6) (I) ON RENEWAL, A CARRIER MAY NOT INCREASE THE PREMIUM RATE FOR A HEALTH BENEFIT PLAN BY MORE THAN 25% OF THE RATE THAT WAS CHARGED IN THE PRECEDING YEAR.~~

~~(II) THE LIMITATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT APPLY TO A PREMIUM RATE INCREASE THAT IS BASED ON:~~

~~1. A CARRIER'S ANNUAL COST AND UTILIZATION TRENDS; OR~~

~~2. A CHANGE IN THE RATING FACTOR FOR ATTAINED AGE FOR COVERED PERSONS.~~

~~(b) A carrier shall apply all risk adjustment factors under subsection (a) of this section consistently with respect to all health benefit plans that are issued, delivered, or renewed in the State.~~

~~[(c) Based on the adjustments allowed under subsection (a)(2) of this section, a carrier may charge a rate that is 40% above or below the community rate.]~~

~~[(d)](C) (1) A carrier shall base its rating methods and practices on commonly accepted actuarial assumptions and sound actuarial principles.~~

~~(2) A carrier that is a health maintenance organization and that includes a subrogation provision in its contract as authorized under § 19-713.1(d) of the Health General Article shall:~~

~~(i) use in its rating methodology an adjustment that reflects the subrogation; and~~

~~(ii) identify in its rate filing with the Administration, and annually in a form approved by the Commissioner, all amounts recovered through subrogation.~~

~~(3) A CARRIER MAY USE HEALTH STATEMENTS, IN A FORM APPROVED BY THE COMMISSIONER, AND HEALTH SCREENINGS TO ESTABLISH PREMIUM RATES AS PROVIDED IN THIS SECTION.~~