

15-303. SAME — REQUIRED POLICY PROVISIONS.

(A) IN GENERAL.

EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN IN SUBSTANCE THE PROVISIONS OF THIS SECTION.

(B) STATEMENTS CONSIDERED REPRESENTATIONS.

EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A PROVISION THAT, ABSENT FRAUD, EACH STATEMENT MADE BY AN APPLICANT, POLICYHOLDER, OR INSURED IS CONSIDERED TO BE A REPRESENTATION AND NOT A WARRANTY.

(C) EFFECT OF STATEMENTS TO EFFECTUATE INSURANCE.

EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A PROVISION THAT A STATEMENT MADE TO EFFECTUATE INSURANCE DOES NOT AVOID THE INSURANCE OR REDUCE BENEFITS UNDER THE POLICY UNLESS THE STATEMENT IS CONTAINED IN A WRITTEN INSTRUMENT SIGNED BY THE POLICYHOLDER OR INSURED AND A COPY OF THE STATEMENT IS GIVEN TO THE POLICYHOLDER, INSURED, OR BENEFICIARY OF THE INSURED.

(D) SUMMARY OF COVERAGE.

(1) EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A PROVISION THAT THE INSURER WILL PROVIDE TO THE POLICYHOLDER FOR DELIVERY TO EACH EMPLOYEE OR MEMBER OF THE INSURED GROUP, A STATEMENT THAT SUMMARIZES THE ESSENTIAL FEATURES OF THE INSURANCE COVERAGE OF THE EMPLOYEE OR MEMBER AND THAT INDICATES TO WHOM BENEFITS UNDER THE POLICY ARE PAYABLE.

(2) IF DEPENDENTS ARE INCLUDED IN THE COVERAGE, ONLY ONE STATEMENT NEED BE ISSUED FOR EACH FAMILY UNIT.

(E) ADDITIONS TO INSURED GROUP.

EACH POLICY OF GROUP HEALTH INSURANCE SHALL CONTAIN A PROVISION THAT ELIGIBLE NEW EMPLOYEES, MEMBERS, OR DEPENDENTS MAY BE ADDED PERIODICALLY TO THE GROUP ORIGINALLY INSURED IN ACCORDANCE WITH THE TERMS OF THE POLICY.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 472.

In subsection (c) of this section, the phrase "under the policy", which modifies "benefits", is added for clarity.

In subsection (e) of this section, the former phrase "as the case may be", which modified "eligible new employees or members or dependents", is deleted as surplusage.