

Approved April 10, 1990.

CHAPTER 17

(Senate Bill 79)

AN ACT concerning

Insurance – Nonprofit Health Service Plans

FOR the purpose of requiring certain nonprofit health service plans to offer certain conversion rights in conformity with specified provisions of the Insurance Code; and generally relating to nonprofit health service plans.

BY repealing ~~and reenacting, with amendments,~~

Article 48A – Insurance Code

Section 354T

Annotated Code of Maryland

(1986 Replacement Volume and 1989 Supplement)

BY adding to

Article 48A – Insurance Code

Section 354T

Annotated Code of Maryland

(1986 Replacement Volume and 1989 Supplement)

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

Article 48A – Insurance Code

354T.

~~Every group contract delivered or issued for delivery in this State by a nonprofit health service plan, which provides hospital, medical, or surgical benefits for employees or members and their dependents shall [contain a provision for granting the employee or member the right to convert to individual coverage in the event of termination of employment or membership in the group] BE SUBJECT TO THE PROVISIONS OF § 477K OF THIS ARTICLE.~~

(A) (1) THIS SECTION APPLIES TO EVERY GROUP CONTRACT DELIVERED OR ISSUED FOR DELIVERY IN THIS STATE BY A NONPROFIT HEALTH SERVICE PLAN, WHICH PROVIDES HOSPITAL, MEDICAL, OR SURGICAL BENEFITS FOR EMPLOYEES OR MEMBERS AND THEIR DEPENDENTS.

(2) FOR PURPOSES OF THIS SECTION, THE TERM “INSURED PERSON” INCLUDES: