

Approved March 31, 1977.

CHAPTER 74

(House Bill 267)

AN ACT concerning

Health Insurance - Coverage of Spouse

FOR the purpose of requiring certain ~~health insurance policies~~ contracts, which provide coverage to employees and their dependent spouses and provide for an extension of coverage following termination of employment or membership of the employees or members, to provide conversion rights without physical examination or statement of health to a covered spouse who has ceased to be dependent upon the employee by reason of termination of marriage or death of the employee or member.

BY adding to

Article 48A - Insurance Code
Section 354J and 477L
Annotated Code of Maryland
(1972 Replacement Volume and 1976 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That new Sections 354J and 477L be and they are hereby added to Article 48A - Insurance Code, of the Annotated Code of Maryland (1972 Replacement Volume and 1976 Supplement) to read as follows:

Article 48A - Insurance Code

354J.

EVERY GROUP ~~HEALTH INSURANCE POLICY CONTRACT~~ DELIVERED OR ISSUED FOR DELIVERY IN THIS STATE BY A NONPROFIT HEALTH SERVICE PLAN, WHICH PROVIDES HOSPITAL, MEDICAL, OR SURGICAL EXPENSE BENEFITS FOR EMPLOYEES OR MEMBERS AND THEIR DEPENDENTS AND WHICH CONTAINS PROVISIONS GRANTING THE EMPLOYEE OR MEMBER THE RIGHT TO CONVERT THE INSURANCE COVERAGE IN THE EVENT OF TERMINATION OF EMPLOYMENT OR MEMBERSHIP, SHALL INCLUDE IN THE CONVERSION PROVISIONS THE SAME CONVERSION RIGHTS AND CONDITIONS TO A COVERED DEPENDENT SPOUSE OF THE EMPLOYEE OR MEMBER IN THE EVENT THE COVERED DEPENDENT SPOUSE CEASES TO BE A QUALIFIED FAMILY MEMBER BY REASON OF TERMINATION OF MARRIAGE OR DEATH OF THE EMPLOYEE OR MEMBER. THE CONVERSION RIGHTS MAY NOT REQUIRE A PHYSICAL EXAMINATION OR A STATEMENT OF HEALTH.