

## CHAPTER 611

(House Bill 541)

AN ACT concerning

## Insurance - Group Health Insurance Conversion

FOR the purpose of defining "insured person" with respect to the conversion of certain group insurance policies into certain other insurance policies.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code  
Section 477K  
Annotated Code of Maryland  
(1979 Replacement Volume and 1982 Supplement)

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

## Article 48A - Insurance Code

477K.

(A) FOR PURPOSES OF THIS SECTION, THE TERM "INSURED PERSON" INCLUDES:

(1) AN EMPLOYEE OR MEMBER WHO IS COVERED UNDER A GROUP POLICY; OR

(2) AN ELIGIBLE DEPENDENT OF AN EMPLOYEE OR MEMBER WHO IS COVERED UNDER A GROUP POLICY.

[(a)] (B) All group insurance policies issued pursuant to § 471, which insure employees or members for hospital, surgical, or major medical insurance on an expense incurred or service basis other than for specific diseases or for accidental injuries only, shall provide that any insured person whose insurance is terminated for any reason other than failure to pay any required premium or contribution, shall upon timely written request, have issued to him, without evidence of insurability, an individual policy of hospital and medical insurance covering him and any of his eligible dependents who were covered under the group policy. The individual policy shall become effective immediately following the termination of coverage under the group policy.

[(b)] (C) The individual converted policies must provide benefits as required by the Commissioner. The Commissioner may