

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

~~Article — Insurance~~

~~Section 15-1205~~

~~Annotated Code of Maryland~~

~~(2002 Replacement Volume and 2004 Supplement)~~

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

~~Article — Insurance~~

~~15-1205.~~

~~(a) (1) In establishing a community rate for a health benefit plan, a carrier shall use a rating methodology that is based on the experience of all risks covered by that health benefit plan without regard to [health status or occupation or] any [other] factor not specifically authorized under this subsection.~~

~~(2) [A] SUBJECT TO PARAGRAPHS (4) THROUGH (7) OF THIS SUBSECTION, A carrier may adjust the community rate only for:~~

~~(i) age; [and]~~

~~(ii) geography based on the following contiguous areas of the State:~~

- ~~1. the Baltimore metropolitan area;~~
- ~~2. the District of Columbia metropolitan area;~~
- ~~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 AGE ALLOWED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION, A CARRIER MAY CHARGE A RATE THAT IS 60% ABOVE OR BELOW THE COMMUNITY RATE.~~

~~(5) BASED ON THE ADJUSTMENT FOR GEOGRAPHY ALLOWED UNDER PARAGRAPH (2)(II) OF THIS SECTION, A CARRIER MAY CHARGE A RATE THAT IS 15% ABOVE OR BELOW THE COMMUNITY RATE.~~

~~(6) (I) BASED ON THE ADJUSTMENT FOR HEALTH STATUS ALLOWED UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION, A CARRIER MAY CHARGE A RATE THAT IS 25% ABOVE OR BELOW THE COMMUNITY RATE.~~