

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

Article 48A - Insurance Code

354FF.

EVERY CONTRACT OR POLICY ISSUED OR DELIVERED IN THIS STATE TO AN EMPLOYER BY A NONPROFIT HEALTH SERVICE INSURANCE PLAN WHICH PROVIDES GROUP HOSPITAL, MEDICAL, OR SURGICAL BENEFITS ON AN EXPENSE INCURRED BASIS SHALL PROVIDE CONTINUATION COVERAGE REQUIRED UNDER § 490G OF THIS ARTICLE.

477K.

(d) The Commissioner shall establish notification requirements for the insurer to the person whose coverage is being terminated of his right of conversion, and requirements regarding the timely election of the conversion privilege. The requirements for notification shall include, but need not be limited to, a provision in any certificates furnished persons covered under group and blanket health insurance policies setting forth the conditions applicable to election of the conversion privilege. [Continuation] EXCEPT AS PROVIDED ELSEWHERE IN THIS ARTICLE, CONTINUATION of group coverage at the expense of the insured person may be required for a period not to exceed 6 months.

477GG.

EVERY CONTRACT OR POLICY ISSUED OR DELIVERED IN THIS STATE TO AN EMPLOYER BY AN INSURANCE COMPANY WHICH PROVIDES GROUP HOSPITAL, MEDICAL, OR SURGICAL BENEFITS ON AN EXPENSE INCURRED BASIS SHALL PROVIDE CONTINUATION COVERAGE REQUIRED UNDER § 490G OF THIS ARTICLE.

490G.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "APPLICABLE CHANGE IN STATUS" MEANS THE DEATH OF THE INSURED.

(3) "DEPENDENT CHILD" MEANS AN INDIVIDUAL WHO:

(I) IS A CHILD OF THE INSURED; AND

(II) EITHER WAS COVERED UNDER THE GROUP INSURANCE CONTRACT AS A QUALIFIED OR AN ELIGIBLE DEPENDENT OF THE INSURED IMMEDIATELY PRIOR TO THE APPLICABLE CHANGE IN STATUS OR WAS BORN TO A QUALIFIED SECONDARY BENEFICIARY AS DEFINED IN SUBSECTION (A)+5+(6)(I) OF THIS SECTION AFTER THE APPLICABLE CHANGE IN STATUS.