

(4) "GROUP CONTRACT" MEANS:

(I) ANY INSURANCE CONTRACT OR POLICY ISSUED OR DELIVERED IN THIS STATE TO THE EMPLOYER OF THE INSURED BY A NONPROFIT HEALTH SERVICE INSURANCE PLAN OR AN INSURANCE COMPANY WHICH PROVIDES GROUP HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO THE EMPLOYEES OF THE EMPLOYER ON AN EXPENSE INCURRED BASIS; OR

(II) ANY CONTRACT BETWEEN THE EMPLOYER OF THE INSURED AND A HEALTH MAINTENANCE ORGANIZATION CERTIFIED UNDER TITLE 19, SUBTITLE 7 OF THE HEALTH - GENERAL ARTICLE TO PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS OFFERED TO THE EMPLOYEES OF THE EMPLOYER.

(5) "INSURED" MEANS AN EMPLOYEE WHO IS A RESIDENT OF THIS STATE AND COVERED UNDER A GROUP CONTRACT FOR A PERIOD NOT LESS THAN 3 MONTHS.

(6) "QUALIFIED SECONDARY BENEFICIARY" MEANS, WITH RESPECT TO THE INSURED, AN INDIVIDUAL OTHER THAN THE INSURED WHO IS:

(I) ~~IMMEDIATELY PRIOR TO ANY APPLICABLE CHANGE IN STATUS,~~ A BENEFICIARY UNDER THE GROUP CONTRACT AS THE SPOUSE OF THE INSURED FOR AT LEAST THE IMMEDIATELY PRECEDING 30-DAY PERIOD IMMEDIATELY PRECEDING THE APPLICABLE CHANGE IN STATUS; OR

(II) A DEPENDENT CHILD.

(B) EVERY GROUP CONTRACT SHALL PROVIDE CONTINUATION BENEFITS MEETING THE REQUIREMENTS OF THIS SECTION.

(C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE GROUP CONTRACT SHALL PROVIDE CONTINUATION BENEFITS TO A QUALIFIED SECONDARY BENEFICIARY AFTER AN APPLICABLE CHANGE IN STATUS.

(D) ANY CONTINUATION COVERAGE WHICH IS ELECTED BY OR ON BEHALF OF A QUALIFIED SECONDARY BENEFICIARY UNDER THE GROUP CONTRACT SHALL BE FOR A PERIOD BEGINNING ON THE DATE OF THE APPLICABLE CHANGE IN STATUS AND ENDING ON THE EARLIEST OF ANY OF THE FOLLOWING:

(1) 18 MONTHS AFTER THE DATE OF THE APPLICABLE CHANGE IN STATUS;

(2) THE DATE ON WHICH THE QUALIFIED SECONDARY BENEFICIARY FAILS TO MAKE TIMELY PAYMENT OF ANY AMOUNT REQUIRED UNDER SUBSECTION (E)(2) OF THIS SECTION;

(3) THE DATE ON WHICH THE QUALIFIED SECONDARY BENEFICIARY BECOMES ELIGIBLE FOR HOSPITAL, MEDICAL, OR SURGICAL BENEFITS UNDER A AN INSURED OR SELF-INSURED GROUP HEALTH BENEFIT PROGRAM OR PLAN, OTHER THAN THE GROUP CONTRACT, WHICH IS:

(I) WRITTEN ON AN EXPENSE INCURRED BASIS; OR