

(B) A CARRIER THAT OFFERS COVERAGE TO A SMALL EMPLOYER SHALL OFFER COVERAGE TO ALL OF ITS ELIGIBLE EMPLOYEES AND, AT THE ELECTION OF THE SMALL EMPLOYER, DEPENDENTS OF ELIGIBLE EMPLOYEES.

(C) (1) A HEALTH MAINTENANCE ORGANIZATION NEED NOT OFFER COVERAGE:

(I) TO A SMALL EMPLOYER THAT IS NOT LOCATED IN THE HEALTH MAINTENANCE ORGANIZATION'S APPROVED SERVICE AREAS;

(II) TO AN ELIGIBLE EMPLOYEE WHO DOES NOT RESIDE WITHIN THE HEALTH MAINTENANCE ORGANIZATION'S APPROVED SERVICE AREAS; OR

(III) WITHIN AN AREA WHERE THE HEALTH MAINTENANCE ORGANIZATION REASONABLY ANTICIPATES, AND DEMONSTRATES TO THE SATISFACTION OF THE COMMISSIONER, THAT IT WILL NOT HAVE THE CAPACITY WITHIN THE AREA IN ITS NETWORK OF PROVIDERS TO DELIVER SERVICE ADEQUATELY BECAUSE OF ITS OBLIGATIONS TO EXISTING GROUP CONTRACT HOLDERS AND ENROLLEES.

(2) A HEALTH MAINTENANCE ORGANIZATION THAT DOES NOT OFFER COVERAGE UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION MAY NOT OFFER COVERAGE IN THE APPLICABLE AREA TO ANY EMPLOYER GROUPS UNTIL THE LATER OF 180 DAYS FOLLOWING ANY REFUSAL TO DO SO, OR THE DATE ON WHICH THE CARRIER NOTIFIES THE COMMISSIONER THAT IT HAS REGAINED CAPACITY TO DELIVER SERVICES TO SMALL EMPLOYER GROUPS.

(D) A CARRIER MAY NOT BE REQUIRED TO OFFER COVERAGE UNDER SUBSECTION (A) OF THIS SECTION FOR SO LONG AS THE COMMISSIONER FINDS THAT THE COVERAGE WOULD PLACE THE CARRIER IN A FINANCIALLY IMPAIRED CONDITION.

(E) (1) TO SELL HEALTH BENEFIT PLANS TO SMALL EMPLOYERS IN THE STATE, A CARRIER SHALL FILE ITS PROPOSED SMALL EMPLOYER HEALTH BENEFIT PLANS WITH THE COMMISSIONER ON OR BEFORE MAY 1, 1994.

(2) UNLESS THE COMMISSIONER HAS PREVIOUSLY DISAPPROVED ITS USE, THE CARRIER'S HEALTH BENEFIT PLANS FOR SMALL EMPLOYERS WILL BE DEEMED APPROVED 60 DAYS AFTER FILING WITH THE COMMISSIONER.

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(A) (1) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A CARRIER SHALL RENEW A HEALTH BENEFIT PLAN AT THE OPTION OF THE SMALL EMPLOYER.

(2) ON RENEWAL A CARRIER MAY NOT EXCLUDE ELIGIBLE EMPLOYEES OR DEPENDENTS FROM A SMALL EMPLOYER HEALTH BENEFIT PLAN.

(B) A CARRIER MAY NOT CANCEL OR REFUSE TO RENEW A SMALL EMPLOYER HEALTH BENEFIT PLAN EXCEPT:

(1) FOR NONPAYMENT OF THE REQUIRED PREMIUMS;