

(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] INDIVIDUALS OR 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] INDIVIDUALS OR 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] INDIVIDUALS OR GROUPS 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] INDIVIDUALS OR GROUPS 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;

(2) For fraud or misrepresentation of the small employer or the covered individuals or their representatives;

(3) For noncompliance with other reasonable provisions of the health benefit plan as approved by the Commissioner;

(4) For repeated misuse, as defined by the Commissioner, of a provider network provision;

(5) Where the carrier elects not to renew all of its health benefit plans issued to small employers in the State;

(6) If the carrier elects not to renew the particular health benefit plan for all small employers in the State;

(7) If the Commissioner finds that continuation of the coverage would:

(i) Not be in the best interests of policyholders or certificate holders; or