

in plans sponsored by employers or groups for which the Insurance Commissioner has obtained registrations, provided, however, that the Insurance Commissioner shall study whether the percentage of Maryland's total population under age 65 required for Section 3 to take effect should be greater than 60 percent and shall promulgate a regulation providing for a higher percentage if the Commissioner determines that it is in the public interest that the percentage should be raised. In determining whether the percentage should be raised, the Commissioner shall include a consideration of the extent to which:

(1) Small group premium rates will increase with the addition of individuals and large groups to the community pool;

(2) Existing insured groups are likely to self-insure and exit the community pool if individuals and large groups enter the community pool;

(3) Individuals are likely to move to Maryland to join the community pool thereby increasing health expenditures in Maryland; and

(4) Employer groups are likely to leave the State to avoid the community pool.

(c) The Insurance Commissioner must submit an annual report in accordance with § 2-1312 of the State Government Article by December 31 of each year. The report must specify the number of individuals under the age of 65 who are covered under an insured health benefit plan and by registered employers. If the Commissioner determines that the taking effect of Section 3 of this Act at a participation level of 65 percent of the population under age 65 is in the public interest, the Commissioner shall state the reasons in the report.

(d) The first June 1 following the Commissioner's determination that at least 60 percent, or any greater percentage as determined by the Commissioner in regulation, of Maryland's total population under the age of 65 are covered under an insured health benefit plan or are enrolled in plans sponsored by employers or groups for which the Commissioner has obtained registrations, insurers and health maintenance organizations must submit the estimated community rate applicable to the Comprehensive Standard Health Benefit Plan after Section 3 of this Act takes effect. Insurers and health maintenance organizations shall distribute this information to all covered groups.

(e) Except as excused by the Commissioner for circumstances that would deem an employer unable to maintain health insurance for its employees, any health benefit plan that registers for 3 years with the Commissioner under this section that fails to provide or discontinues coverage under Article 48A, Title 55 of the Code, after the Commissioner determines that the 60 percent margin has been met shall be fined in an amount equal to \$1 per employee for each day under 3 years that the health benefit plan is not covered under Article 48A, Title 55 of the Code.

(f) The State Employee and Retiree Health and Welfare Benefits Program may register, no earlier than January 1, 1995 with the Insurance Commissioner under this section only if the registration is approved by the Legislative Policy Committee of the General Assembly.

(g) Before the effective date of Section 3 of this Act, the Insurance Commissioner shall adopt regulations to implement that section.