

(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.

Article – Health – General

19-706.

(j) The provisions of Article 48A, Subtitle 55 shall apply to health maintenance organizations.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article 48A – Insurance Code

703.

(c) A carrier shall make a reasonable disclosure in its solicitation and sales materials of:

(1) The provisions concerning the carrier's right to change premium rates, including any factors that may affect the changes in premium rates;

(2) The provisions relating to renewability of policies and contracts; [and]

(3) The provisions relating to any preexisting condition provision; AND