

Article 48A - Insurance Code

702.

(a) (1) In establishing a community rate for a health benefit plan, a carrier shall use a rating methodology that is based on the experience of the entire pool of risks covered by that plan without regard to health status or occupation or any other factor not specifically authorized under this subsection.

(2) A carrier may only adjust the community rate for:

- (i) Age; and
- (ii) Geography based on the following contiguous areas of the State:
 1. Baltimore metropolitan area;
 2. The District of Columbia metropolitan area;
 3. Western Maryland; and
 4. Eastern and Southern Maryland.

(3) Rates for a health benefit plan may vary based on family composition as approved by the Commissioner.

(b) (1) Based on the adjustments allowed under subsection (a)(2) of this section, a carrier may charge a rate that is:

- (i) 50% above or below the community rate for any health benefit plan issued, delivered, or renewed between July 1, 1994 and June 30, 1995;
- (ii) 40% above or below the community rate for any health benefit plan issued, delivered, or renewed between July 1, 1995 and June 30, 1996; AND
- (iii) 33% above or below the community rate for all health benefit plans issued, delivered, or renewed [between July 1, 1996 and June 30, 1997; and
- (iv) 16% above or below the community rate for all health benefit plans issued, delivered, or renewed after July 1, 1997] AFTER JULY 1 JUNE 30, 1996.

(2) On or before October 1, ~~1998~~ 2000, the Commissioner, IN CONJUNCTION WITH THE HEALTH CARE ACCESS AND COST COMMISSION, shall submit a report to the Governor and, in accordance with § 2-1312 of the State Government Article, the General Assembly, on the feasibility and desirability of [establishing a pure community rate or maintaining an adjusted community rate] ALLOWING REQUIRING CARRIERS TO CHARGE RATES THAT ARE LESS THAN 33% ABOVE OR BELOW THE COMMUNITY RATE FOR HEALTH BENEFIT PLANS.

Chapter 501 of the Acts of 1995

SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of Section 2 of this Act and Article 48A, § 698A of the Code, Article 48A, Subtitle 55 of the Code does not apply to the renewal of any health benefit plan that was issued prior to [the effective date of Section 2 of this Act] JULY 1, 1996 to a